

Michigan Register

Issue No. 6— 2007 (Published April 15, 2007)



GRAPHIC IMAGES IN THE MICHIGAN REGISTER

COVER DRAWING

Michigan State Capitol:

This image, with flags flying to indicate that both chambers of the legislature are in session, may have originated as an etching based on a drawing or a photograph. The artist is unknown. The drawing predates the placement of the statue of Austin T. Blair on the capitol grounds in 1898.

(Michigan State Archives)

PAGE GRAPHICS

Capitol Dome:

The architectural rendering of the Michigan State Capitol's dome is the work of Elijah E. Myers, the building's renowned architect. Myers inked the rendering on linen in late 1871 or early 1872. Myers' fine draftsmanship, the hallmark of his work, is clearly evident.

Because of their size, few architectural renderings of the 19th century have survived. Michigan is fortunate that many of Myers' designs for the Capitol were found in the building's attic in the 1950's. As part of the state's 1987 sesquicentennial celebration, they were conserved and deposited in the Michigan State Archives.

(Michigan State Archives)

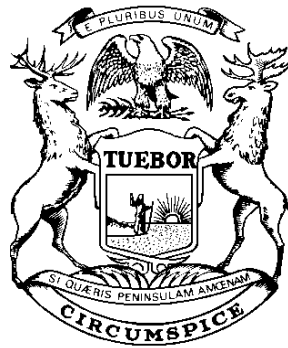
East Elevation of the Michigan State Capitol:

When Myers' drawings were discovered in the 1950's, this view of the Capitol – the one most familiar to Michigan citizens – was missing. During the building's recent restoration (1989-1992), this drawing was commissioned to recreate the architect's original rendering of the east (front) elevation.

(Michigan Capitol Committee)

Michigan Register

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(This issue, published April 15, 2007, contains
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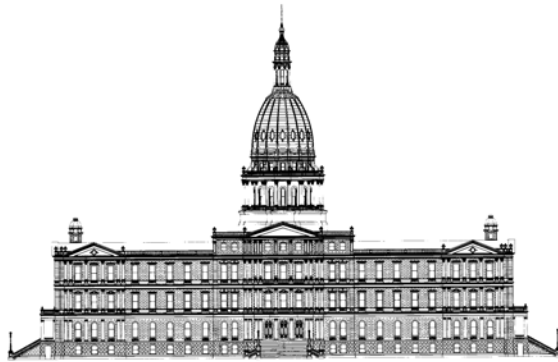
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Peter Plummer, Executive Director, State Office of Administrative Hearings and Rules; **Deidre O'Berry**, Administrative Rules Analyst for Operations and Publications.

Jennifer M. Granholm, Governor



John D. Cherry Jr., Lieutenant Governor

PREFACE

PUBLICATION AND CONTENTS OF THE MICHIGAN REGISTER

The State Office of Administrative Hearings and Rules publishes the *Michigan Register*.

While several statutory provisions address the publication and contents of the *Michigan Register*, two are of particular importance.

MCL 24.208 states:

Sec. 8 (1) The State Office of Administrative Hearings and Rules shall publish the Michigan register at least once each month. The Michigan register shall contain all of the following:

- (a) Executive orders and executive reorganization orders.
 - (b) On a cumulative basis, the numbers and subject matter of the enrolled senate and house bills signed into law by the governor during the calendar year and the corresponding public act numbers.
 - (c) On a cumulative basis, the numbers and subject matter of the enrolled senate and house bills vetoed by the governor during the calendar year.
 - (d) Proposed administrative rules.
 - (e) Notices of public hearings on proposed administrative rules.
 - (f) Administrative rules filed with the secretary of state.
 - (g) Emergency rules filed with the secretary of state.
 - (h) Notice of proposed and adopted agency guidelines.
 - (i) Other official information considered necessary or appropriate by the State Office of Administrative Hearings and Rules.
 - (j) Attorney general opinions.
 - (k) All of the items listed in section 7(1) after final approval by the certificate of need commission or the statewide health coordinating council under section 22215 or 22217 of the public health code, 1978 PA 368, MCL 333.22215 and 333.22217.
- (2) The State Office of Administrative Hearings and Rules shall publish a cumulative index for the Michigan register.
 - (3) The Michigan register shall be available for public subscription at a fee reasonably calculated to cover publication and distribution costs.
 - (4) If publication of an agency's proposed rule or guideline or an item described in subsection (1)(k) would be unreasonably expensive or lengthy, the State Office of Administrative Hearings and Rules may publish a brief synopsis of the proposed rule or guideline or item described in subsection (1)(k), including information on how to obtain a complete copy of the proposed rule or guideline or item described in subsection (1)(k) from the agency at no cost.
 - (5) An agency shall transmit a copy of the proposed rules and notice of public hearing to the State Office of Administrative Hearings and Rules for publication in the Michigan register.

MCL 4.1203 states:

Sec. 203. (1) The Michigan register fund is created in the state treasury and shall be administered by the State Office of Administrative Hearings and Rules. The fund shall be expended only as provided in this section.

- (2) The money received from the sale of the Michigan register, along with those amounts paid by state agencies pursuant to section 57 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.257, shall be deposited with the state treasurer and credited to the Michigan register fund.
- (3) The Michigan register fund shall be used to pay the costs preparing, printing, and distributing the Michigan register.
- (4) The department of management and budget shall sell copies of Michigan register at a price determined by the State Office of Administrative Hearings and Rules not to exceed cost of preparation, printing, and distribution.
- (5) Notwithstanding section 204, beginning January 1, 2001, the State Office of Administrative Hearings and Rules shall make the text of the Michigan register available to the public on the internet.
- (6) The information described in subsection (5) that is maintained by the State Office of Administrative Hearings and Rules shall be made available in the shortest feasible time after the information is available. The information described in subsection (5) that is not maintained by the State Office of Administrative Hearings and Rules shall be made available in the shortest feasible time after it is made available to the State Office of Administrative Hearings and Rules.
- (7) Subsection (5) does not alter or relinquish any copyright or other proprietary interest or entitlement of this state relating to any of the information made available under subsection (5).
- (8) The State Office of Administrative Hearings and Rules shall not charge a fee for providing the Michigan register on the internet as provided in subsection (5).
- (9) As used in this section, "Michigan register" means that term as defined in section 5 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.205.

CITATION TO THE MICHIGAN REGISTER

The *Michigan Register* is cited by year and issue number. For example, 2001 MR 1 refers to the year of issue (2001) and the issue number (1).

CLOSING DATES AND PUBLICATION SCHEDULE

The deadlines for submitting documents to the State Office of Administrative Hearings and Rules for publication in the *Michigan Register* are the first and fifteenth days of each calendar month, unless the submission day falls on a Saturday, Sunday, or legal holiday, in which event the deadline is extended to include the next day which is not a Saturday, Sunday, or legal holiday. Documents filed or received after 5:00 p.m. on the closing date of a filing period will appear in the succeeding issue of the *Michigan Register*.

The State Office of Administrative Hearings and Rules is not responsible for the editing and proofreading of documents submitted for publication.

Documents submitted for publication should be delivered or mailed in an electronic format to the following address: MICHIGAN REGISTER, State Office of Administrative Hearings and Rules, Ottawa Building - Second Floor, 611 W. Ottawa, P.O. Box 30695, Lansing, MI 48933.

RELATIONSHIP TO THE MICHIGAN ADMINISTRATIVE CODE

The *Michigan Administrative Code* (1979 edition), which contains all permanent administrative rules in effect as of December 1979, was, during the period 1980-83, updated each calendar quarter with the publication of a paperback supplement. An annual supplement contained those permanent rules, which had appeared in the 4 quarterly supplements covering that year.

Quarterly supplements to the Code were discontinued in January 1984, and replaced by the monthly publication of permanent rules and emergency rules in the *Michigan Register*. Annual supplements have included the full text of those permanent rules that appear in the twelve monthly issues of the *Register* during a given calendar year. Emergency rules published in an issue of the *Register* are noted in the annual supplement to the Code.

SUBSCRIPTIONS AND DISTRIBUTION

The *Michigan Register*, a publication of the State of Michigan, is available for public subscription at a cost of \$400.00 per year. Submit subscription requests to: State Office of Administrative Hearings and Rules, Ottawa Building - Second Floor, 611 W. Ottawa, P.O. Box 30695, Lansing, MI 48933. Checks Payable: State of Michigan. Any questions should be directed to the State Office of Administrative Hearings and Rules (517) 335-2484.

INTERNET ACCESS

The *Michigan Register* can be viewed free of charge on the Internet web site of the State Office of Administrative Hearings and Rules: www.michigan.gov/cis/0,1607,7-154-10576_35738---,00.html

Issue 2000-3 and all subsequent editions of the *Michigan Register* can be viewed on the State Office of Administrative Hearings and Rules Internet web site. The electronic version of the *Register* can be navigated using the blue highlighted links found in the Contents section. Clicking on a highlighted title will take the reader to related text, clicking on a highlighted header above the text will return the reader to the Contents section.

Peter Plummer, Executive Director
State Office of Administrative Hearings and Rules

2007 PUBLICATION SCHEDULE

Issue No.	Closing Date for Filing or Submission Of Documents (5 p.m.)	Publication Date
1	January 15, 2007	February 1, 2007
2	February 1, 2007	February 15, 2007
3	February 15, 2007	March 1, 2007
4	March 1, 2007	March 15, 2007
5	March 15, 2007	April 1, 2007
6	April 1, 2007	April 15, 2007
7	April 15, 2007	May 1, 2007
8	May 1, 2007	May 15, 2007
9	May 15, 2007	June 1, 2007
10	June 1, 2007	June 15, 2007
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23	December 15, 2007	January 1, 2008
24	January 1, 2008	January 15, 2008

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FILED WITH THE SECRETARY OF STATE

MCL 24.208 states in part:

“Sec. 8. (1) The State Office of Administrative Hearings and Rules shall publish the Michigan register at least once each month. The Michigan register shall contain all of the following:

* * *

(f) Administrative rules filed with the secretary of state.”

ADMINISTRATIVE RULES

SOAHR 2005-096

DEPARTMENT OF TREASURY

STATE TREASURER

SCHOOL BOND QUALIFICATION, APPROVAL, AND LOAN RULES

Filed with the Secretary of State on March 23, 2007

These rules take effect 7 days after filing with the Secretary of State

(By authority conferred on the state treasurer by section 11 of 2005 PA 92, MCL 388.1931, and section 33 of 1969 PA 306, MCL 24.201 to 24.328)

R 388.1, R 388.2, R 388.3, R 388.4, R 388.5, R 388.6, R 388.7, R 388.8, R 388.9, R 388.10, R 388.11, R 388.12, R 388.13, R 388.14, R 388.15, R 388.16, R 388.17, and R 388.18 are added to the Michigan Administrative Code as follows:

PART 1. GENERAL DEFINITIONS

R 388.1 Definitions.

Rule 1. (1) As used in these rules:

(a) “Act” means the school bond qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 et seq.

(b) “Business day” means any day that does not fall on a Saturday, Sunday, or state legal holiday.

(c) “Calendar day” means any day represented on the yearly calendar including Saturday, Sunday, and state legal holidays.

(d) “Debt service” means principal and interest payments on qualified bond issues and associated fees related to those bonds.

(e) “Department” means the Michigan department of treasury.

(f) “Mandatory final loan repayment date” means the date specified in the loan agreement entered into by a school district under the act by which principal and interest on all qualified loans related to all qualified bonds are finally due.

(g) “Projected debt millage levy” means the number of mills in any year, not less than 7 mills and not more than 13 mills, that, if levied by the school district, will generate sufficient annual proceeds to pay principal and interest on all the school district’s existing and proposed qualified bonds plus principal and interest on all qualified loans related to those qualified bonds less funds on hand and legally available for that purpose not later than the dates defined in the act or in these rules.

(h) “Qualification” means the process of qualifying bonds or loans in accordance with section 4 to section 13 of 2005 PA 92, MCL 388.1924 to 388.1933.

(i) “Refunding bond” means a bond issued to refund or refinance an existing qualified bond or outstanding qualified loan owed to the state under this act.

(j) “State legal holiday” means those days designated in section 1 of 1865 PA 124, MCL 435.101.

(k) “Treasurer” means the Michigan state treasurer as defined by 2005 PA 92, MCL 388.1923.

- (l) A term defined in the act has the same meaning when used in these rules.

PART 2. SCHOOL BOND QUALIFICATION

R. 388.2 Preliminary qualification; application.

Rule 2. (1) A completed preliminary qualification application shall include submission to the department of all of the following information:

(a) The proposed ballot language to be submitted to the electors, which shall include all language required by the following statutes:

- (i) MCL 380.1361, the revised school code.
- (ii) MCL 211.24f, general property tax act.
- (iii) Section 28 of the Act.
- (iv) Any other applicable law.

(b) A description of the project or projects to be financed that includes all of the following:

(i) A cost analysis providing summary totals that can be matched to budget estimates as reported by the school district.

(ii) For new construction, all of the following should be included:

- (A) The estimated number of rooms.
- (B) The types of rooms expected to be constructed.
- (C) The estimated square footage of the project or projects.
- (D) The estimated cost per square foot.

(iii) For remodeling and site work, all of the following should be included:

- (A) The planned use of the space.
- (B) The type of work expected to be performed.
- (C) The estimated total cost of the work to be performed.

(iv) For site acquisitions, either of the following should be included:

- (A) The cost per acre.
- (B) The total cost of acquisition, or if such information is not available, the estimated total cost of acquisition.

(v) For technology, furnishings, and equipment, school districts shall provide detail regarding the types of technology, furnishings, and equipment to be purchased.

(c) A pro forma debt service projection, which shall demonstrate the following:

(i) That the proceeds of the school district's projected debt millage levy will be sufficient to repay principal and interest on all of the school district's existing and proposed new qualified bonds plus principal and interest on all qualified loans related to those bonds not later than the mandatory final loan repayment date.

(ii) That the school district's projected average growth in taxable value is based on the following assumptions:

(A) For the first 5 years following the date of the application, assume no higher than the average growth in taxable value for the 5 years preceding the date of the application.

(B) For the remaining term after the first 5 years following the date of the application, assume the lesser of the average growth in taxable value for the 5 years preceding the date of the application or 3%.

(d) The utilization rate for each project included in the preliminary qualification application, which meets the following specifications:

(i) The utilization rate shall be calculated by dividing the projected 5-year enrollment by the standard pupil capacity factor provided by the department.

(ii) The 5-year enrollment projection used in this calculation shall be obtained from an enrollment projection service provider approved by the department.

(iii) When the utilization rate for any building is below 60% for remodeling projects and 85% for new construction projects, the school district shall submit a written explanation of such variance discussing the actions the school district intends to take to address the underutilization.

(e) Evidence that the cost per square foot of the project or projects will be reasonable in light of economic conditions applicable to the geographic area in which the school district is located.

(f) An amortization schedule in accordance with MCL 388.1925 (2)(m) and MCL 388.1927(1)(d).

(g) A completed prequalification application also includes the following data, which the department shall use for informational purposes only:

(i) The weighted average age of all school buildings involved in the proposed project or projects based on square footage.

(ii) The school district's taxable value per pupil.

(iii) The total bonded debt outstanding of the school district for the school district fiscal year in which the application is filed.

(iv) The total taxable value of property in the school district for the school district fiscal year in which the application is filed.

(v) A statement describing any environmental or usability problems to be addressed by the project or projects.

(vi) An architect's analysis of the overall condition of the facilities to be renovated or replaced as a part of the project or projects.

(2) The department shall determine the reasonableness of cost per square foot by comparing the cost included in the preliminary qualification application to the cost per square foot parameter announced annually by the department. The cost per square foot parameter announced annually by the department shall be calculated from data derived from reputable independent sources including but not limited to R.S. Means or such similar entity that provides reliable objective information.

(3) If it has been more than 12 months since the preliminary qualification was approved, then a school district shall submit the following information to update the application prior to submitting an application for final qualification:

(a) A status report of any previous series of bonds included in the authorization.

(b) Updated project sheets for each project included in the proposed series and supporting cost detail, as described in R 388.2(1)(b).

(c) A cost summary sheet for proposed bond series.

(d) An updated pro forma debt service projection showing bond structure for proposed series.

R 388.3 Qualification of bonds.

Rule 3. (1) To obtain final qualification of bonds, a school district shall submit a final qualification application and supporting documentation in the form prescribed by the department.

(2) Supporting documentation shall include all of the following:

(a) A cover letter from legal counsel indicating the requested approval date and delivery date if known at the time of submission.

(b) The certified canvass of election for building and site bonds.

(c) An updated pro forma debt service projection as described in R 388.2(1)(c).

(d) A copy of the resolution authorizing the issuance of bonds.

(e) A copy of the resolution authorizing the sale of bonds if such a resolution is applicable.

(f) The preliminary or final official statement, whichever is available at the time of submission.

(g) A draft of the proposed bond counsel opinion.

(3) Supporting documentation for refunding bond issues shall also include both of the following:

- (a) Additional financial schedules that document net present value savings of the refunding bond issue.
- (b) A draft verification report of mathematical accuracy of the refunding tables, prepared by an independent source.
- (4) If a school district does not issue its qualified bonds within 180 days after the date of the order qualifying bonds, then the school district shall submit a revised application and updated pro forma debt service projection to the department.
- (5) Notwithstanding the repayment requirements of these rules, all bonds qualified under the act and Article IX of the state constitution of 1963 shall be considered qualified upon issuance of the order qualifying bonds by the state treasurer until final maturity.

R 388.4 Debt service payment dates.

Rule 4. Qualified bonds shall be payable as to principal on May 1, and shall be payable as to interest on May 1 and November 1.

R 388.5 Guidelines.

Rule 5. The department shall issue guidelines, in accordance with the administrative procedures act, as needed, to assist school districts with completing prequalification and qualification applications.

PART 3. SCHOOL LOAN REVOLVING FUND LOANS

R 388.6 Certification of computed millage.

Rule 6. A school district shall authorize and certify the levy of its full computed millage before borrowing from the school loan revolving fund.

R 388.7 Report of taxable value decrease.

Rule 7. All school districts that issue qualified bonds shall report the amount of any reduction in taxable value to the department in writing by September 1 of any calendar year in which the taxable value of the school district decreases in comparison to the previous calendar year.

R 388.8 Annual loan activity application.

Rule 8. A completed annual loan activity application shall include submission to the department of all of the following:

- (a) A cover transmittal letter.
- (b) An annual loan activity application consisting of a certified resolution in the form prescribed by the department providing for the following:
 - (i) Designation and authorization of a school district official to complete all required and necessary documents related to the school loan revolving fund.
 - (ii) Approval of the estimated amount to be disbursed from or repaid to the school loan revolving fund.
 - (iii) Certification of the amount of qualified debt millage to be levied.
 - (iv) Agreement to take actions or refrain from taking actions as necessary to maintain the tax-exempt status of any bonds or notes issued by the state in accordance with the state constitution of 1963 or by the Michigan municipal bond authority in accordance with the act.
- (c) An annual loan activity worksheet.
- (d) Copies of reconciled bank statements to support the debt fund balance reported on the annual loan activity worksheet.
- (e) Any other documentation and information necessary to determine the amount of the disbursement or repayment.

R 388.9 Worksheet/draw request.

Rule 9. (1) A completed draw request shall include submission to the department of all of the following:

- (a) A cover transmittal letter.
 - (b) A worksheet/draw request.
 - (c) Copies of reconciled bank statements to support the debt fund balance reported on worksheet/draw request.
 - (d) Any other documentation and information necessary to determine the amount of the disbursement.
- (2) If the state or the Michigan municipal bond authority issues tax exempt bonds for purposes of funding qualified loans related to qualified bonds, as defined in the act, then school districts that receive proceeds of those tax exempt bonds shall use such proceeds towards the district's qualified debt service within 5 business days of receipt.

R 388.10 Mandatory final loan repayment dates for borrowing related to new bond issues.

Rule 10. The mandatory final loan repayment dates for borrowing related to new bond issues shall be determined as follows:

- (a) For school districts that had outstanding qualified loans, applied for qualification before May 25, 2005, and passed a new qualified bond proposal in the year 2005, the mandatory final loan repayment date for borrowing related to the new bond issue shall be a date not later than 72 months after the final maturity date of the new bond issue.
- (b) For school districts with outstanding qualified loans that applied for qualification after May 25, 2005, the mandatory final loan repayment date for borrowing for a new bond issue is as follows:
 - (i) The mandatory final loan repayment date for the qualified loans related to the outstanding qualified bonds as stated in the loan agreement.
 - (ii) If the school district has prepaid the outstanding amount owed to the state, a date not later than 72 months after the final maturity date of the new bond issue.
- (c) For school districts that have no outstanding qualified loans, the mandatory final loan repayment date for borrowing related to a new bond issue shall be not later than 72 months after the final maturity date of the new bond issue.

R 388.11 Interest rates on qualified loans.

Rule 11. (1) All qualified loans outstanding prior to the effective date of the act being July 20, 2005, shall continue to bear interest as provided in the repayment agreements entered into between the district and the state before the effective date of the act.

(2) The interest rate on qualified loans shall be calculated on a weighted-average basis applying the applicable interest costs of all outstanding school loan bonds and computed to the nearest 1/8 of 1 percent.

(3) All qualified loans issued subsequent to the effective date of the act being July 20, 2005, shall bear interest as defined in sec. 9(8) of the act.

(4) The department shall recalculate the interest rate on all qualified loans whenever any of the following occur:

- (a) Additional school loan bonds are issued.
- (b) Existing school loan bonds are refunded.
- (c) Principal payments are made on existing school loan bonds.
- (d) Variable interest rates are adjusted on school loan bonds.
- (5) Interest on all qualified loans shall be compounded annually on September 30.

R 388.12 Repayment; invoices.

Rule 12. (1) When the revenue generated by a school district's computed millage levied in a 12-month period exceeds the debt service due on qualified bonds during that 12-month period, then the school district shall pay the difference, less a reasonable amount of funds on hand, as determined by the state treasurer, to cover minimum balance requirements or potential tax disputes, to the department as payment of the outstanding loan.

(2) The department shall issue an invoice to the school district at least once a year when the information contained in a loan activity statement demonstrates that the revenue generated by a school district's levy of the computed millage will exceed the annual debt service on the bonds.

(3) The school district shall remit the amount specified in the invoice to the department not later than the next succeeding May 15 after the dated date of the invoice.

(4) The school district shall promptly submit to the department an explanation of any difference between the invoiced payment due and the payment remitted.

PART 4. NONCOMPLIANCE

R 388.13 Noncompliance; remedies.

Rule 13. (1) The following situations constitute noncompliance:

(a) A school district that owes the state loan repayments relating to qualified bonds fails to levy at least the computed millage upon its taxable value for debt retirement purposes for qualified bonds or qualified loans under the act.

(b) A school district fails to honor its agreement to repay a qualified loan or any installment of a qualified loan.

(c) A school district fails to file or correctly file required documentation as defined in the act or these rules.

(2) In the event of noncompliance, the school district shall do all of the following as required by the department:

(a) File or correct the required documentation.

(b) Increase its debt levy in the next succeeding year to obtain the funds necessary to repay the amount of the default plus a late charge that shall be 3% of the amount due. If a school district fails to levy at least the computed millage upon its taxable value, then the school district shall increase its debt levy in the next succeeding year to obtain the amount necessary to repay the amount of the default plus a late charge that shall be 3% of the amount due even when such an increase will be higher than the computed millage.

(c) Shall pay to the state the amount of the default plus the 3% late charge together with any other amounts owed during the next tax year following the year in which the default occurred.

(3) The department shall not disburse state school aid to the non-complying school district until arrangements for the payment of the amount in arrears are made with the department's approval.

(4) Failure of a school district to comply with application due dates or failure of a school district to process any report, application, confirmation, or repayment as required under the act or in these rules may result in 1 or both of the following:

(a) The department may issue a notification to the school board requiring a written response of remedy.

(b) The department may withhold a school district's state aid funds until the school district complies with all requirements.

(5) None of the following situations constitutes noncompliance:

(a) Taxpayer delinquencies.

(b) Failure of projected pupil or tax base growth rates to meet initial projections.

(c) Decline in the school district tax base.

PART 5. REFUNDING

R 388.14 Refunding qualified loans.

Rule 14. (1) School districts that intend to refund qualified loans owed to the state under the act shall disclose the intent to do so in the information submitted to the electors at the time of the election for the related new money bonds, if any.

(2) If a school district intends to use the proceeds of a qualified bond to refund all or a portion of its outstanding qualified loans, then the school district shall submit pro forma statements prepared by the school district's financial advisor demonstrating that the refunding of the outstanding qualified loans will result in a net present value savings to the school district. A school district may request, in writing, approval of an exception to this requirement, which shall be granted if the department determines that a reasonable basis for the exception exists, as described in MCL 141.2611(2) of the revised municipal finance act.

(3) For the purposes of calculating the net present value of the principal and interest of the qualified loans being refunded, the interest rate applied shall be the greater of 5% or the historical 5-year average school loan revolving fund loan interest rate as provided by the department.

(4) Qualified bonds issued to refund outstanding qualified loans shall not be issued for a term longer than the projected repayment term of the qualified loans as of the date of the refunding.

R 388.15 Refunding bonds.

Rule 15. (1) Bonds issued to refund qualified bonds shall comply with the provisions of the revised municipal finance act, 2001 PA 34, MCL 141.2101.

(2) The term of the refunding bond shall be not longer than the term of the original bond issue being refunded.

(3) The issuance of refunding bonds should not result in greater borrowing from the school loan revolving fund than would occur without the refunding.

PART 6. VARIABLE INTEREST RATE DEBT

R 388.16 Variable interest rate, interest rate exchange, swap, hedge, or similar agreements.

Rule 16. (1) School districts using variable interest rate debt or entering into interest rate exchanges, swaps, hedges or similar agreements shall do all of the following:

(a) Maintain a minimum fund balance within any applicable Internal Revenue Service regulations sufficient to limit borrowing from the school loan revolving fund to the regularly scheduled May and November borrowings.

(b) Provide supplemental schedules with current estimates of debt service payments projected for the upcoming year along with the submission of the annual loan activity application.

(c) Provide written notification to the department if changes are made to the indenture documents. If the department does not respond in writing within 30 days after receipt of the notification, then the parties may proceed with the transaction.

(2) A school district may not borrow from the school loan revolving fund to pay a termination payment or similar payment related to the termination or cancellation of an interest rate exchange or swap, hedge, or other similar agreement entered into or modified after July 20, 2005, pursuant to MCL 388.1923(3)(b).

PART 7. TIME COMPUTATION

R 388.17 Business and calendar days in the act.

Rule 17. Unless otherwise required by these rules, when the act, these rules, or related guidelines refer to time periods of 7 days or less, it shall mean business days. When the act, these rules, or related guidelines refer to time periods greater than 7 days, it shall mean calendar days.

PART 8. APPEALS

R 388.18 Appeals.

Rule 18. (1) A school district may appeal a decision of a designated representative of the department to the state treasurer directly by submitting a written request for reconsideration by the state treasurer detailing the grounds for the request within 30 calendar days of the decision.

(2) The state treasurer shall issue a final determination within 30 calendar days of receipt of the appeal request.

(3) Decisions of the state treasurer are final.

(4) A school district may seek judicial review of a decision in accordance with the provisions of section 631 of 1961 PA 236, MCL 600.631.

ADMINISTRATIVE RULES

SOAHR 2006-045

DEPARTMENT OF LABOR & ECONOMIC GROWTH

WORKERS' COMPENSATION AGENCY

WORKERS' COMPENSATION HEALTH CARE SERVICES

Filed with the Secretary of State on March 23, 2007

These rules become effective 7 days after filing with the Secretary of State.

(By authority conferred on the workers' compensation agency by sections 205 and 315 of 1969 PA 317, section 33 of 1969 PA 306, Executive Reorganization Order Nos. 1982-2, 1986-3, 1990-1, 1996-2, and 2003-1, MCL 418.205, 418.315, 24.233, 18.24, 418.1, 418.2, 445.2001, and 445.2011)

R 418.10107, R 418.10202, R 418.10401, R 418.10404, R 418.10416, R 418.10902, R 418.10922, R 418.101002, R 418.101004, R 418.101005, R 418.101016, R 418.101504, are amended, R 418.101017, R 418.101018, R 418.101019, R 418.101502 are rescinded, and R 418.10504, R 418.10505, and R 418.101002b are added to the Michigan Administrative Code.

R 418.10107 Source documents; adoption by reference.

Rule 107. The following documents, are adopted by reference in these rules and are available for inspection at, or purchase from, the workers' compensation agency, health care services division, P.O. Box 30016, Lansing, Michigan 48909, at the costs listed or from the organizations listed:

(a) "Physicians' Current Procedural Terminology (CPT®) 2007," standard edition, copyright October 2006, published by the American Medical Association, PO Box 930876, Atlanta GA, 31193-0876, order # OP054107CRL, 1-800-621-8335. The publication may be purchased at a cost of \$69.95, plus \$9.95 for shipping and handling as of the time of adoption of these rules. Permission to use this publication is on file in the workers' compensation agency.

(b) "Medicare's National Level II Codes, HCPCS, 2007," copyright December 2006, published by the American Medical Association, P.O. Box 930876 Atlanta GA 31193-0876, order # OP095107CRL, customer service 1-800-621-8335. The publication may be purchased at a cost of \$94.95, plus \$11.95 for shipping and handling as of the time of adoption of these rules.

(c) "Medicare RBRVS 2006: The Physicians' Guide," published by The American Medical Association, P.O. Box 930876, Atlanta GA 31193-0876, order #OP059606CKF, 1-800-621-8335. The publication may be purchased at a cost of \$87.95, plus \$11.95 shipping and handling as of the time of adoption of these rules.

(d) "Medicare RBRVS 2007: The Physicians' Guide," published by The American Medical Association, P.O. Box 930876, Atlanta GA 31193-0876, order #OP059607CKF, 1-800-621-8335. The publication may be purchased at a cost of \$87.95, plus \$11.95 shipping and handling as of the time of adoption of these rules.

(e) "International Classification of Diseases, ICD-9-CM 2007 Volumes 1 & 2," copyright September 2006, American Medical Association, P.O. Box 930876, Atlanta GA 31193-0876, order #OP065307CRL, 1-800-621-8335. The publication may be purchased at a cost of \$89.95, plus \$11.95 shipping and handling as of the time of adoption of these rules.

(f) "2006 Drug Topics Red Book," published by Medical Economics Company Inc., Five Paragon Drive, Montvale, NJ 07645-1742, 1-800-678-5689. The publication may be purchased at a cost of \$76.95, plus \$9.95 for shipping and handling as of the time of adoption of these rules.

(g) "Michigan Uniform Billing Manual," developed in cooperation with the American Hospital Association's National Uniform Billing Committee, published by Michigan Health and Hospital Association, Attn: UB-92 Subscriptions, 110 W. Michigan, Ste 1200, Lansing, MI 48933, 517-703-8622. As of the time of adoption of these rules, the cost of the publication is \$160.00, plus 6% sales tax.

R 418.10202 Evaluation and management services.

Rule 202. (1) The evaluation and management procedure codes from "Current Procedural Terminology, CPT®", as adopted by reference in R 418.10107, shall be used on the bill to describe office visits, hospital visits, and consultations. These services are divided into subcategories of new patient and established patient visits. The services are also classified according to complexity of the services. For the purposes of workers' compensation, a treating practitioner, for each new case or date of injury, shall use a new patient visit to describe the initial visit. A treating physician may not use procedures 99450-99456 to bill for services provided to an injured worker. When a practitioner applies a hot or cold pack during the course of the office visit, the carrier shall not be required to reimburse this as a separate charge.

(2) Minor medical and surgical supplies routinely used by the practitioner or health care organization in the office visit shall not be billed separately. The provider may bill separately for supplies, or other services, over and above those usually incidental to the evaluation and management service using appropriate CPT® or HCPCS procedure codes.

(3) When a specimen is obtained and sent to an outside laboratory, the provider may add 99000 to the bill to describe the handling/conveyance of the specimen. The carrier shall reimburse \$5.00 for this service in addition to the evaluation and management service.

(4) Appropriate procedures from "Current Procedural Terminology, CPT®" or "Medicare's Level II Codes, HCPCS" may be billed in addition to the evaluation and management service. If an office visit is performed outside of the provider's normal business hours, the provider may bill the add on procedure code, 99050, describing an office visit performed after hours or on Sundays or holidays and shall be reimbursed \$12.00 in addition to the evaluation and management. The carrier shall only be required to reimburse the miscellaneous add-on office procedures when the services are performed outside of the provider's normal hours of business.

(5) A procedure that is normally part of an examination or evaluation shall not be unbundled and billed independently. Range of motion shall not be reimbursed as a separate procedure in addition to the evaluation and management service unless the procedure is medically necessary and appropriate for the injured worker's condition and diagnosis.

(6) The maximum allowable payment for the evaluation and management service shall be determined by multiplying the relative value unit, RVU, assigned to the procedure code, times the conversion factor listed in the reimbursement section of these rules.

(7) The level of an office visit or other outpatient visit for the evaluation and management of a patient is not guaranteed and may change from session to session. The level of service shall be consistent with the type of presenting complaint and supported by documentation in the record.

(8) When a provider bills for an evaluation and management service, a separate drug-administration charge shall not be reimbursed by the carrier, since this is considered a bundled service inclusive with the visit. The drug administration charges may be billed and paid when the evaluation and management service is not performed and billed for a date of service. The provider shall bill the medication separate and be paid in accordance with the reimbursement section of these rules. The provider shall use the

NDC or national drug code for the specific drug and either 99070, the unlisted drug and supply code or the specific J-code listed in HCPCS to describe the medication administered.

(9) When a provider administers a vaccine during an evaluation and management service, both the vaccine and the administration of the vaccine are billed as separate services in addition to the evaluation and management visit according to language in CPT®. Both the administration of the vaccine and the vaccine shall be reimbursed in accordance with the reimbursement provisions of these rules in addition to the visit.

(10) Procedure code 76140, x-ray consultation, shall not be paid to the provider in addition to the evaluation and management service, to review x-rays taken elsewhere. The carrier shall not pay for review of an x-ray by a practitioner other than the radiologist providing the written report or the practitioner performing the complete radiology procedure.

R 418.10401 Global surgical procedure; services included.

Rule 401. (1) The surgical procedures in the Current Procedural Terminology as adopted in R 418.10107 always include the following list of specific services in addition to the surgical procedure.

(a) Local infiltration, metacarpal/metatarsal/digital block or topical anesthesia.

(b) Subsequent to the decision for surgery, 1 related evaluation and management encounter on the date immediately prior to or on the date of the procedure is included. However, when an initial evaluation and management encounter occurs and a decision for surgery is made at that encounter, the evaluation and management service is payable in addition to the surgical procedure.

(c) Immediate postoperative care, including dictating operative notes, talking with the family and other physicians.

(d) Writing postoperative surgical orders in the patient's chart and dictating an operative report.

(e) Evaluating the patient in the postanesthesia recovery area.

(f) Typical, routine, normal postoperative follow-up care, including suture removal, during the global period. The global period or follow-up days shall be listed in the surgical section of the manual published by the agency.

(2) Intra-operative procedures required to perform the surgical service shall not be billed separately.

R 418.10404 Follow-up care occurring during global service.

Rule 404. (1) Follow-up care for a diagnostic procedure shall refer only to the days required to recover from the diagnostic procedure and not the treatment of the underlying condition.

(2) Follow-up care for therapeutic surgical procedures includes only that care which is usually part of the surgical service. Complications, exacerbations, recurrence, or the presence of other compensable diseases or injuries requiring additional services should be reported with the identification of appropriate procedures. The follow-up days for the surgical procedures are adopted from the "Medicare RBRVS The Physicians Guide," as referenced in R 418.10107(d). The follow-up days for each surgical procedure are identified in the "global" column in the manual published by the workers' compensation agency, separate from these rules. All of the following apply to the global service provider:

(a) If a carrier requests the surgeon to see an injured worker during the global service period for the purpose of job restrictions, job adjustments, or return to work, then the visit shall not be considered part of the global surgery package. If the carrier requests the visit, then the carrier shall prior authorize the visit assigning an authorization number. The provider shall bill the visit using procedure 99455 and modifier -32, including the authorization number in box 23 of the CMS 1500 form. The carrier shall not deny a prior authorized visit and shall reimburse the provider for the prior authorized visit. The maximum allowable payment for 99455-32 shall be listed in the manual published separate from these rules.

(b) The medical record shall reflect job adjustments, job restrictions or limitations, or return to work date and the provider shall include the medical record with the bill.

(c) If an insured employer requests the surgeon to see an injured worker during the global surgery period for the purpose of job adjustments, restrictions, or return to work, then the employer shall obtain the prior authorization number from the carrier for the visit.

(3) Hospital follow-up care or a hospital visit by the practitioner responsible for the surgery shall be considered part of the surgical follow-up days listed for the procedure and shall not be paid as an independent procedure.

R 418.10416 Assistant surgeon.

Rule 416. (1) The carrier shall reimburse for an assistant surgeon service for those surgical procedures designated by CMS as allowing additional reimbursement for surgical assistant. The health care services manual published separate from these rules will list the surgical procedures that allow reimbursement for assistant surgeon.

(2) Any of the following may bill assistant surgeon services using modifier -80:

(a) A doctor of dental surgery.

(b) A doctor of osteopathy.

(c) A doctor of medicine.

(d) A doctor of podiatry.

(3) A physician's assistant or an advanced practice nurse with a specialty licensure certification issued by the state may bill assistant surgeon services using modifier -81.

PART 5. RADIOLOGY, RADIATION THERAPY, AND NUCLEAR MEDICINE

R 418.10504 Multiple procedure policy for radiology procedures performed within families or groups of contiguous body parts.

Rule 504. (1) A multiple procedure payment reduction shall apply to specified radiology procedures when performed in a freestanding radiology office, a non-hospital facility, or a physician's office or clinic. The primary procedure, identified by the code with the highest relative value, shall be paid at 100% of the maximum allowable payment. If the provider's charge is less than the maximum allowable payment, then the service shall be paid at 100% of the provider's charge.

(2) The multiple payment reduction policy shall also apply when multiple radiological diagnostic imaging procedures are performed on contiguous parts of the body, listed as family-group procedures. When multiple procedures are performed within these groups or families of procedures, the multiple payment reduction shall apply to the technical component only. The agency shall publish in a manual separate from these rules a table listing groups of related codes (families). When more than 1 procedure from each group (family of contiguous codes) is performed on the same date of service, the technical component for the first procedure within each group is paid at 100% of the maximum allowable payment. Each additional procedure within the group shall have modifier -51 appended and the technical component shall be reduced to 50% of the maximum allowable payment.

R 418.10505. Multiple procedure policy for specific nuclear medicine procedures.

Rule 505. (1) The multiple procedure reduction and the use of modifier -51 shall apply to the complete procedure, the technical component, and the professional component, when multiples of the following nuclear medicine diagnostic procedure codes are performed: 78802, 78803, 78806, and 78807.

(2) When the procedures listed in subrule (1) of this rule are performed in a hospital setting, the hospital is reimbursed by the cost-to-charge methodology and the multiple payment rule shall apply to the professional component billed by the radiologist.

(3) When the services are performed in an office, clinic, or freestanding radiology office, the reduction shall be applied to the complete procedure.

R 418.10902 Billing for injectable medications, other than vaccines and toxoids, in office setting.

Rule 902. (1) The provider shall not bill the carrier for administration of therapeutic injections when billing an evaluation and management procedure code. If an evaluation and management procedure code is not listed, then the appropriate medication administration procedure code may be billed.

(2) The medication being administered shall be billed with either the unlisted drug and supply code from physicians' current procedural terminology, (CPT®), or the specific J-code procedure from Medicare's National Level II Codes as adopted by reference in R 418.10107.

(3) The provider shall list the NDC or national drug code for the medication in box 19 or 24K of the CMS 1500.

(4) The carrier shall reimburse the medication at average wholesale price, (AWP) according to the Redbook, as adopted by reference in R 418.10107.

(5) If the provider does not list the national drug code for the medication, the carrier shall reimburse the medication using the least costly NDC listed by Redbook for that medication.

R 418.10922 Hospital billing instructions.

Rule 922. (1) A hospital shall bill facility charges on the UB-92 national uniform billing claim form and shall include revenue codes, ICD.9.CM coding, HCPCS codes, and CPT® codes to identify the surgical, radiological, laboratory, medicine, and evaluation and management services. This rule only requires that the following medical records be attached when appropriate:

Emergency room report.

The initial evaluation and progress reports every 30 days whenever physical medicine, speech, and hearing services are billed.

The anesthesia record when billing for a CRNA or anesthesiologist.

(2) A properly completed UB-92 shall not require attachment of medical records except for those in subrule (1) of this rule to be considered for payment. Information required for reimbursement is included on the claim form. A carrier may request any additional records under R 418.10118.

(3) If a hospital clinic, other than an industrial or occupational medicine clinic, bills under a hospital's federal employer identification number, then a hospital clinic facility service shall be identified by using revenue code 510 "clinic."

(4) A hospital system-owned office practice shall bill services on the CMS 1500 claim form using the office site of service and shall not bill facility fees.

(5) A hospital or hospital system-owned industrial or occupational clinic providing occupational health services shall bill services on the CMS 1500 claim form using the office site of service and shall not bill facility fees.

R 418.101002a Conversion factor for practitioner services.

Rule 1002a. (1) The workers' compensation agency shall determine the conversion factor for medical, surgical, and radiology procedures. The conversion factor shall be used by the workers' compensation agency for determining the maximum allowable payment for medical, surgical, and radiology procedures. The maximum allowable payment shall be determined by multiplying the appropriate conversion factor times the relative value unit assigned to a procedure. The relative value units are listed for the medicine, surgical, and radiology procedure codes in a manual separate from these rules. The manual shall be published annually by the workers' compensation agency using codes adopted from "Physicians' Current Procedural Terminology (CPT®)" as referenced in R 418.10107(a). The workers'

compensation agency shall determine the relative values by using information found in the “Medicare RBRVS: The Physicians’ Guide” as adopted by reference in R 418.10107(c).

(2) The conversion factor for medicine, radiology, and surgical procedures shall be \$50.20 for the year 2007 and shall be effective for dates of service on the effective date of these rules.

R 418.101002b Wage index factor for freestanding surgical outpatient facilities.

Rule 1002b. The wage index used to determine the maximum allowable payment for a surgery performed in a freestanding surgical outpatient facility shall be determined by the agency and shall be published in chapter 15 of the manual separate from these rules. The determined wage index is an average of the data published by Medicare for ambulatory surgery centers in southeast Michigan for the year prior to the effective date of these rules.

R 418.101004 Modifier code reimbursement.

Rule 1004. (1) Modifiers may be used to report that the service or procedure performed has been altered by a specific circumstance but does not change the definition of the code. This rule lists procedures for reimbursement when certain modifiers are used. A complete listing of modifiers are listed in Appendix A of “Current Procedural Terminology CPT®”, and Appendix 1 of “Medicare’s Level II Codes” as adopted by reference in R 418.10107.

(2) When modifier code -25 is added to an evaluation and management procedure code, reimbursement shall only be made when the documentation provided supports the patient’s condition required a significant separately identifiable evaluation and management service other than the other service provided or beyond the usual preoperative and postoperative care.

(3) When modifier code -26, professional component, is used with a procedure, the professional component shall be paid.

(4) If a surgeon uses modifier code -47 when performing a surgical procedure, then anesthesia services were provided by the surgeon and the maximum allowable payment for the anesthesia portion of the service shall be calculated by multiplying the base unit of the appropriate anesthesia code by \$42.00. No additional payment is allowed for time units.

(5) When modifier code -50 or -51 is used with surgical procedure codes the services shall be paid according to the following as applicable:

(a) The primary procedure at not more than 100% of the maximum allowable payment or the billed charge, whichever is less.

(b) The secondary procedure and the remaining procedure or procedures at not more than 50% of the maximum allowable payment or the billed charge, whichever is less.

(c) When multiple injuries occur in different areas of the body, the first surgical procedure in each part of the body shall be reimbursed 100% of the maximum allowable payment or billed charge, whichever is less, and the second and remaining surgical procedure or procedures shall be identified by modifier code -51 and shall be reimbursed at 50% of the maximum allowable payment or billed charges, whichever is less.

(d) When modifier -50 or -51 is used with a surgical procedure with a maximum allowable payment of BR, the maximum allowable payment shall be 50% of the provider’s usual and customary charge or 50% of the reasonable amount, whichever is less.

(6) The multiple procedure payment reduction shall be applied to the technical component for radiological imaging procedures performed on contiguous parts of the body. When modifier -51 is used with specified diagnostic radiological imaging procedures, the payment for the technical component of the procedure shall be reduced by 50% of the maximum allowable payment. A table listing these involved families of codes shall be published by the agency in a manual separate from these rules.

- (7) When modifier code -TC, technical services, is used to identify the technical component of a radiology procedure, payment shall be made for the technical component only. The maximum allowable payment for the technical portion of the radiology procedure is designated in the manual by -TC.
- (8) When modifier -57, initial decision to perform surgery, is added to an evaluation and management procedure code, the modifier -57 shall indicate that a consultant has taken over the case and the consultation code is not part of the global surgical service.
- (9) When both surgeons use modifier -62 and the procedure has a maximum allowable payment, the maximum allowable payment for the procedure shall be multiplied by 25%. Each surgeon shall be paid 50% of the maximum allowable payment times 25%, or 62.5 % of the MAP. If the maximum allowable payment for the procedure is BR, then the reasonable amount shall be multiplied by 25% and be divided equally between the surgeons.
- (10) When modifier code -80 is used with a procedure, the maximum allowable payment for the procedure shall be 20% of the maximum allowable payment listed in these rules, or the billed charge, whichever is less. If a maximum payment has not been established and the procedure is BR, then payment shall be 20% of the reasonable payment amount paid for the primary procedure.
- (11) When modifier code -81 is used with a procedure code that has a maximum allowable payment, the maximum allowable payment for the procedure shall be 13% of the maximum allowable payment listed in these rules or the billed charge, whichever is less. If modifier code -81 is used with a BR procedure, then the maximum allowable payment for the procedure shall be 13% of the reasonable amount paid for the primary procedure.
- (12) When modifier -82 is used and the assistant surgeon is a licensed doctor of medicine, doctor of osteopathic medicine and surgery, doctor of podiatric medicine, or a doctor of dental surgery, the maximum level of reimbursement shall be the same as for modifier -80. If the assistant surgeon is a physician's assistant, the maximum level of reimbursement shall be the same as modifier -81. If a person other than a physician or a certified physician's assistant bills using modifier -82, then the charge and payment for the service is reflected in the facility fee.
- (13) When modifier -GF is billed with evaluation and management or minor surgical services, the carrier shall reimburse the procedure at 85% of the maximum allowable payment, or the usual and customary charge, whichever is less.

R 418.101005 Reimbursement for home health services.

Rule 1005. (1) Home health services are reimbursed "by report," requiring submission of a report with the charges on the UB-92 claim form. The carrier shall reimburse the home health agency according to each "by report" procedure listed on the UB-92, billed with the appropriate HCPCS code in accord with R 418.10909.

- (2) Home health services shall be reimbursed by the carrier at either the provider's usual and customary charge as defined by these rules or reasonable amount, whichever is less.
- (3) Services listed in "HCPCS, Medicare Level II Codes" as adopted by reference in R 418.10107 as per diem shall be reimbursed per diem or per visit in accord with the description of the code. The per diem visit shall be either at the provider's usual and customary charge or reasonable amount, whichever is less.
- (4) Supplies and durable medical equipment (DME) shall be reimbursed pursuant to these rules.

R 418.101016 Reimbursement for hospital facility services.

Rule 1016. (1) A hospital licensed in Michigan billing facility services shall be reimbursed using the maximum payment ratio methodology for the following services:

Inpatient or observation care.

Emergency department services.

- (c) Occupational, physical, and speech therapy services.
- (d) Outpatient surgeries.
- (e) Laboratory services and outpatient services.

If a carrier pays a properly submitted bill or unadjusted portion of the bill within 30 days of receipt, then the payment is calculated by multiplying the charges times the hospital's maximum payment ratio times a multiplier of 107%. If a carrier pays the bill after 30 days, then the multiplier shall be 110% allowing for a 3% late fee.

(2) When a hospital outside the state of Michigan submits a bill for facility services, the carrier may initially process payment by using the method described in subrule (1) of this rule, applying the average maximum payment ratio, as published in the health care services manual. If the facility located outside of Michigan does not accept reimbursement according to Michigan health care services rules, then the carrier shall negotiate the charges with the out-of-state facility and reimburse the facility according to the laws of the state where the facility is located.

(3) If applying the ratio methodology results in an amount greater than the hospital's charge, the carrier shall reimburse the hospital's charge. The only time a carrier shall pay in excess of the charge is if a properly submitted bill was not paid within 30 days and, in that instance, the carrier shall reimburse the charge plus a 3% late fee.

(4) Observation care shall not be for more than 24 hours. If the patient does not meet admission criteria according to the length of stay guidelines, then the patient shall be discharged from observation care.

R 418.101017 Rescinded.

R 418.101018 Rescinded.

R 418.101019 Rescinded.

R 418.101502 Rescinded.

R 418.101504 Orthotic and prosthetic procedures and maximum allowable payments.

Rule 1504. The orthotic and prosthetic procedures that have set fees are listed in this rule. The maximum allowable fees for the selected orthotic and prosthetic procedures are listed in the table in this rule. All other orthotic and prosthetic procedures not included in this rule shall be considered by report procedures.

Code	MAP
L0120	\$17.29
L0130	\$117.02
L0140	\$42.00
L0150	\$74.60
L0160	\$119.82
L0170	\$796.31
L0172	\$110.00
L0174	\$194.07
L0180	\$314.44
L0190	\$407.89
L0200	\$430.12
L0210	\$28.85
L0220	\$90.00
L0430	\$1,062.50
L0700	\$1,779.93
L0710	\$1,882.90
L0810	\$2,371.87
L0820	\$1,876.79
L0830	\$2,829.65
L0960	\$60.01
L0970	\$99.30
L0972	\$89.42
L0974	\$155.56
L0976	\$138.95
L0978	\$167.24
L0980	\$15.17
L0982	\$14.15
L0984	\$47.18
L1000	\$1,763.98
L1010	\$58.31
L1020	\$75.11
L1025	\$108.35
L1030	\$55.27
L1040	\$67.79
L1050	\$72.34
L1060	\$83.09
L1070	\$78.18
L1080	\$48.08
L1085	\$133.74
L1090	\$79.64
L1100	\$138.17
L1110	\$221.90

Code	MAP
L1120	\$34.51
L1200	\$1,424.25
L1210	\$227.34
L1220	\$192.48
L1230	\$493.91
L1240	\$67.46
L1250	\$62.77
L1260	\$65.74
L1270	\$67.32
L1280	\$74.95
L1290	\$68.29
L1300	\$1,451.36
L1310	\$1,493.46
L1499	BR
L1500	\$1,650.36
L1510	\$828.93
L1520	\$1,486.64
L1685	\$1,033.49
L1686	\$653.04
L1800	\$43.34
L1810	\$81.00
L1815	\$63.13
L1820	\$103.00
L1825	\$35.83
L1830	\$57.01
L1832	\$480.05
L1834	\$674.46
L1840	\$798.89
L1844	\$734.88
L1845	\$583.78
L1846	\$985.10
L1850	\$187.57
L1855	\$954.77
L1858	\$1,221.93
L1860	\$1,383.48
L1870	\$909.28
L1880	\$550.82
L1900	\$234.40
L1902	\$52.02
L1904	\$333.00
L1906	\$86.17
L1910	\$174.27

Code	MAP
L1920	\$286.29
L1930	\$175.57
L1940	\$429.68
L1945	\$1,145.70
L1950	\$647.18
L1960	\$530.36
L1970	\$618.24
L1980	\$318.88
L1990	\$459.09
L2000	\$881.27
L2010	\$803.35
L2020	\$1,132.33
L2030	\$880.19
L2036	\$2,022.35
L2037	\$1,447.16
L2038	\$1,024.83
L2040	\$154.26
L2050	\$413.88
L2060	\$504.44
L2070	\$116.84
L2080	\$312.50
L2090	\$380.99
L2106	\$747.33
L2108	\$1,170.03
L2112	\$304.03
L2114	\$440.38
L2116	\$537.16
L2126	\$1,356.79
L2128	\$1,498.50
L2132	\$525.66
L2134	\$803.12
L2136	\$878.87
L2180	\$101.75
L2182	\$79.63
L2184	\$107.63
L2186	\$130.80
L2188	\$260.22
L2190	\$59.45
L2192	\$309.80
L2200	\$41.30
L2210	\$58.40
L2220	\$71.16

Code	MAP
L2230	\$66.67
L2240	\$72.66
L2250	\$308.74
L2260	\$174.17
L2265	\$102.31
L2270	\$46.67
L2275	\$103.91
L2280	\$393.43
L2300	\$233.93
L2310	\$106.88
L2320	\$178.76
L2330	\$341.16
L2335	\$197.38
L2340	\$388.32
L2350	\$774.19
L2360	\$44.96
L2370	\$223.04
L2375	\$99.17
L2380	\$106.97
L2385	\$116.38
L2390	\$95.11
L2395	\$101.95
L2397	\$87.81
L2405	\$44.22
L2415	\$159.56
L2425	\$158.17
L2492	\$88.60
L2500	\$274.10
L2510	\$631.12
L2520	\$374.57
L2525	\$873.78
L2526	\$595.12
L2530	\$204.14
L2540	\$367.33
L2550	\$249.53
L2570	\$413.84
L2580	\$403.24
L2600	\$178.44
L2610	\$211.00
L2620	\$232.31
L2622	\$266.44
L2624	\$287.71

Code	MAP
L2627	\$1,489.46
L2628	\$1,455.67
L2630	\$215.15
L2640	\$291.98
L2650	\$104.27
L2660	\$161.94
L2670	\$148.21
L2680	\$135.96
L2750	\$72.62
L2760	\$52.79
L2770	\$53.64
L2780	\$58.80
L2785	\$27.54
L2795	\$57.13
L2800	\$92.00
L2810	\$67.86
L2820	\$75.46
L2830	\$81.62
L2840	\$30.06
L2850	\$42.15
L2999	BR
L3000	\$170.00
L3001	BR
L3002	\$99.00
L3003	\$99.00
L3010	\$135.00
L3020	\$99.00
L3030	BR
L3040	BR
L3050	BR
L3060	BR
L3070	BR
L3080	BR
L3090	BR
L3100	BR
L3150	BR
L3215	\$94.18
L3216	\$108.00
L3217	\$127.00
L3219	\$102.87
L3221	\$120.00
L3222	\$150.00

Code	MAP
L3230	\$425.00
L3250	\$381.00
L3251	\$450.00
L3252	\$300.00
L3253	\$90.00
L3254	\$38.00
L3257	\$180.00
L3260	\$60.00
L3265	\$35.00
L3300	\$42.00
L3310	\$40.00
L3320	BR
L3330	\$275.00
L3332	\$18.00
L3334	\$25.00
L3340	\$70.00
L3350	\$13.00
L3360	\$15.00
L3370	\$22.00
L3380	\$32.00
L3390	\$15.00
L3400	\$56.00
L3410	\$64.00
L3420	\$32.00
L3430	\$44.00
L3440	\$35.00
L3500	BR
L3510	BR
L3520	BR
L3530	BR
L3540	BR
L3550	BR
L3560	BR
L3570	BR
L3580	BR
L3590	BR
L3595	BR
L3650	\$37.82
L3660	\$65.54
L3670	\$72.11
L3700	\$44.51
L3710	\$78.83

Code	MAP
L3720	\$556.10
L3730	\$766.44
L3740	\$908.66
L3800	\$140.00
L3805	\$256.00
L3810	\$55.09
L3815	\$51.16
L3820	\$87.86
L3825	\$55.14
L3830	\$71.98
L3835	\$78.02
L3840	\$53.45
L3845	\$69.02
L3850	\$98.59
L3855	\$99.38
L3860	\$136.03
L3900	\$1,396.48
L3901	\$1,481.20
L3902	\$2,137.19
L3904	\$2,354.94
L3906	\$384.00
L3907	\$406.00
L3908	\$38.21
L3910	\$253.61
L3912	\$69.00
L3914	\$62.00
L3916	\$109.00
L3918	\$64.00
L3920	\$90.00
L3922	\$75.02
L3924	\$88.95
L3926	\$71.96
L3928	\$43.89
L3930	\$50.94
L3932	\$38.12
L3934	\$40.91
L3936	\$75.73
L3938	\$74.25
L3940	\$83.41
L3942	\$62.14
L3944	\$78.52
L3946	\$59.28

Code	MAP
L3948	\$46.85
L3950	\$126.68
L3952	\$141.50
L3954	\$77.63
L3960	\$505.85
L3962	\$457.52
L3963	\$1,063.83
L3964	\$501.52
L3965	\$772.40
L3966	\$613.07
L3968	\$713.05
L3969	\$563.81
L3970	\$193.93
L3972	\$178.22
L3974	\$109.98
L3980	\$197.13
L3982	\$238.05
L3984	\$219.47
L3985	\$496.93
L3986	\$476.56
L3995	\$20.85
L3999	BR
L4000	\$1,107.83
L4010	\$942.50
L4020	\$748.37
L4030	\$438.67
L4040	\$354.66
L4045	\$285.01
L4050	\$358.70
L4055	\$232.27
L4060	\$276.12
L4070	\$244.52
L4080	\$87.00
L4090	\$78.46
L4100	\$90.62
L4110	\$73.68
L4130	\$431.00
L4210	BR
L4350	\$58.25
L4360	\$180.43
L4370	\$123.02
L4380	\$69.99

Code	MAP
L5000	\$400.00
L5010	\$1,217.00
L5020	\$2,226.00
L5050	\$2,231.00
L5060	\$2,691.00
L5100	\$2,499.00
L5105	\$3,215.69
L5150	\$3,599.00
L5160	\$3,869.00
L5200	\$3,081.00
L5210	\$2,332.00
L5220	\$2,592.00
L5230	\$4,198.00
L5250	\$4,802.00
L5270	\$4,760.75
L5280	\$4,713.13
L5301	\$2,612.75
L5311	\$3,859.00
L5321	\$3,815.00
L5331	\$5,450.14
L5341	\$5,823.31
L5400	\$1,261.00
L5410	\$333.00
L5420	\$1,547.71
L5430	\$420.12
L5450	\$363.27
L5460	\$476.46
L5500	\$1,262.00
L5505	\$1,685.00
L5510	\$1,535.00
L5520	\$1,347.00
L5530	\$1,752.00
L5535	\$1,569.73
L5540	\$1,765.00
L5560	\$1,829.00
L5570	\$1,840.00
L5580	\$2,352.00
L5585	\$2,696.00
L5590	\$2,225.22
L5595	\$3,727.16
L5600	\$4,115.89
L5610	\$1,916.47

Code	MAP
L5611	\$1,491.40
L5613	\$2,268.50
L5614	\$3,508.49
L5616	\$1,257.18
L5618	\$654.32
L5620	\$533.41
L5622	\$729.81
L5624	\$635.07
L5626	\$777.71
L5628	\$775.86
L5629	\$220.64
L5630	\$415.43
L5631	\$305.04
L5632	\$205.52
L5634	\$281.57
L5636	\$235.86
L5637	\$294.15
L5638	\$450.48
L5639	\$1,037.83
L5640	\$591.89
L5642	\$573.50
L5643	\$1,440.73
L5644	\$546.73
L5645	\$748.26
L5646	\$507.18
L5647	\$736.32
L5648	\$609.43
L5649	\$1,882.67
L5650	\$451.88
L5651	\$1,111.63
L5652	\$606.28
L5653	\$661.74
L5654	\$426.49
L5655	\$348.15
L5656	\$343.38
L5658	\$336.56
L5661	\$563.29
L5665	\$473.96
L5666	\$64.80
L5668	\$93.48
L5670	\$300.76
L5672	\$276.02

Code	MAP
L5676	\$335.44
L5677	\$456.40
L5678	\$30.33
L5680	\$281.74
L5682	\$578.90
L5684	\$44.54
L5686	\$47.29
L5688	\$56.53
L5690	\$90.58
L5692	\$123.00
L5694	\$167.93
L5695	\$150.96
L5696	\$171.28
L5697	\$74.32
L5698	\$96.56
L5699	\$142.40
L5700	\$2,534.95
L5701	\$3,147.36
L5702	\$4,021.66
L5704	\$436.72
L5705	\$800.64
L5706	\$780.94
L5707	\$1,049.19
L5710	\$332.93
L5711	\$483.34
L5712	\$398.87
L5714	\$387.18
L5716	\$674.65
L5718	\$843.24
L5722	\$835.75
L5724	\$1,397.20
L5726	\$1,610.24
L5728	\$1,851.35
L5780	\$1,059.79
L5785	\$480.92
L5790	\$665.57
L5795	\$993.86
L5810	\$450.67
L5811	\$675.10
L5812	\$495.00
L5816	\$710.00
L5818	\$888.94

Code	MAP
L5822	\$1,576.30
L5824	\$1,400.00
L5828	\$2,263.39
L5830	\$1,756.46
L5840	\$1,980.00
L5850	\$118.42
L5855	\$285.88
L5910	\$335.26
L5920	\$491.14
L5925	\$280.00
L5940	\$464.30
L5950	\$720.17
L5960	\$892.37
L5962	\$490.00
L5964	\$798.56
L5966	\$1,035.31
L5970	\$187.99
L5972	\$326.23
L5974	\$215.70
L5976	\$451.39
L5978	\$270.13
L5979	\$2,090.00
L5980	\$2,917.79
L5981	\$2,382.65
L5982	\$535.13
L5984	\$527.33
L5986	\$586.57
L5999	BR
L6000	\$1,229.90
L6010	\$1,368.70
L6020	\$1,276.09
L6050	\$2,263.00
L6055	\$2,450.75
L6100	\$2,229.00
L6110	\$2,284.04
L6120	\$2,202.07
L6130	\$2,396.27
L6200	\$2,982.00
L6205	\$3,370.85
L6250	\$3,267.79
L6300	\$3,448.64
L6310	\$2,809.00

Code	MAP
L6320	\$1,581.89
L6350	\$3,625.73
L6360	\$2,948.39
L6370	\$1,880.09
L6380	\$1,130.00
L6382	\$1,520.00
L6384	\$1,764.86
L6386	\$371.72
L6388	\$406.94
L6400	\$2,147.89
L6450	\$2,853.88
L6500	\$2,856.22
L6550	\$3,529.76
L6570	\$4,051.49
L6580	\$1,446.95
L6582	\$1,273.99
L6584	\$1,894.64
L6586	\$1,734.41
L6588	\$2,616.40
L6590	\$2,435.32
L6600	\$173.63
L6605	\$171.44
L6610	\$154.12
L6615	\$160.80
L6616	\$60.04
L6620	\$280.66
L6623	\$593.77
L6625	\$492.31
L6628	\$443.44
L6629	\$135.43
L6630	\$529.70
L6632	\$60.14
L6635	\$185.00
L6637	\$339.89
L6640	\$259.30
L6641	\$148.50
L6642	\$201.28
L6645	\$295.49
L6650	\$313.32
L6655	\$69.53
L6660	\$84.96
L6665	\$42.64

Code	MAP
L6670	\$44.39
L6672	\$156.07
L6675	\$111.16
L6676	\$112.26
L6680	\$396.63
L6682	\$492.52
L6684	\$575.62
L6686	\$546.47
L6687	\$485.00
L6688	\$490.36
L6689	\$623.71
L6690	\$636.49
L6691	\$375.00
L6692	\$517.66
L6700	\$480.17
L6705	\$281.90
L6710	\$456.45
L6715	\$435.00
L6720	\$789.68
L6725	\$465.24
L6730	\$591.50
L6735	\$275.82
L6740	\$359.60
L6745	\$329.03
L6750	\$325.22
L6755	\$324.30
L6765	\$338.82
L6770	\$326.63
L6775	\$387.01
L6780	\$413.69
L6790	\$418.27
L6795	\$1,145.60
L6800	\$937.88
L6805	\$314.94
L6806	\$1,219.79
L6809	\$343.46
L6810	\$172.66
L6825	\$955.02
L6830	\$1,253.51
L6835	\$1,091.93
L6840	\$758.59
L6845	\$704.22

Code	MAP
L6850	\$637.78
L6855	\$811.19
L6860	\$615.22
L6865	\$301.42
L6875	\$719.47
L6880	\$466.76
L6890	\$190.00
L6895	\$732.76
L6900	\$1,989.50
L6905	\$1,990.23
L6910	\$2,001.88
L6915	\$774.57
L6920	\$6,434.34
L6925	\$6,874.02
L6930	\$6,197.18
L6935	\$6,841.72
L6940	\$8,002.61
L6945	\$8,927.91
L6950	\$7,987.74
L6955	\$9,263.27
L6960	\$9,744.62
L6965	\$11,544.00
L6970	\$12,356.57
L6975	\$13,619.84
L7010	\$3,174.94
L7015	\$5,611.94
L7020	\$3,466.69
L7025	\$3,428.95
L7030	\$5,488.37
L7035	\$3,648.62
L7040	\$2,609.59
L7170	\$5,427.59
L7180	\$29,891.81
L7260	\$1,821.71
L7261	\$3,610.95
L7266	\$916.48
L7272	\$1,812.94
L7274	\$5,621.72
L7360	\$240.00
L7362	\$242.00
L7364	\$392.77
L7366	\$540.20

Code	MAP
L7499	BR
L7500	\$80.00
L7510	BR
L8300	\$58.56
L8310	\$92.46
L8320	\$37.11
L8330	\$34.27
L8400	\$23.02
L8410	\$19.18
L8415	\$19.84
L8420	\$18.01
L8430	\$20.50
L8435	\$19.46
L8440	\$38.71
L8460	\$61.69
L8465	\$45.16
L8470	\$6.18
L8480	\$8.52
L8485	\$10.17
L8499	BR
L8500	BR
L8501	BR
L8610	BR
L8699	BR

ADMINISTRATIVE RULES

SOAHR 2006-060

DEPARTMENT OF TREASURY

STATE TREASURER

GENERAL SALES AND USE TAX RULES

Filed with the Secretary of State on March 16, 2007
These rules take effect 7 days after filing with the Secretary of State

(By authority conferred on the Department of Treasury by section 3 of 1941 PA 122, MCL 205.3).

R 205.56, R 205.72, R 205.126, R 205.127, and R 205.136 of the Michigan Administrative Code are amended as follows:

SPECIFIC SALES AND USE TAX RULES

R 205.56 Bakeries

Rule 6. (1) Sales of bakery products for home consumption are exempt, except that sales of bakery products which are “prepared food,” as defined in MCL 205.54g(4), are taxable.

(2) Sales of bakery items described in MCL 205.54g(5)(d) are not sales of “prepared food” and are exempt. (See R 205.136)

(3) Tangible personal property is taxable, unless that tangible personal property becomes an ingredient or component part of bakery products produced for sale by a retailer for retail sale.

R 205.72 Milk and dairy products.

Rule 22. (1) The commercial production of milk, for sale, by persons regularly engaged in business as farmers or agriculturists, is set forth in R 205.51.

(2) Transportation of milk from the place where it is produced for sale by persons regularly engaged in business as farmers or agriculturists, as well as the receiving and storage of the milk at the processing plant, is taxable. Processing includes all necessary operations performed on the milk prior to shipment from the plant. Sales of tools and equipment used directly in the processing of milk or milk products, and lubricants and other materials consumed or used in the repair or maintenance of that equipment, are not taxable. Sales of tangible personal property consumed or used in the construction, alteration, repair, or improvement of buildings and grounds are taxable.

(3) Sales of equipment used or consumed in the transportation or delivery of milk and milk products are taxable, including vehicles, cases, crates, and property used for the maintenance and operation of that equipment.

(4) Sales of milk bottles and milk cans to dairies for use in processing milk for sale at retail by others, including washing machines and cleaning compounds used in connection therewith by such processors, are not subject to tax. Sales of milk bottle crates or cases for transportation, receiving, storage, or delivery are subject to tax. Sales

of milk cans to farmers or agriculturists for use in cooling milk prior to shipment to dairies are not taxable.

R 205.126 Vending machines and other automatic sales devices.

Rule 76. (1) The gross receipts from sales of tangible personal property through vending machines and other automatic sale devices, including food or drink as specified in MCL 205.54g(2), are taxable. Vending machine sales of certain items described in MCL 205.54g(2), including candy, nuts, chewing gum, cookies, crackers and chips, are exempt from tax. It is immaterial whether the sales are made for money, coins, tokens, or coupons redeemable in money or merchandise. If both taxable and exempt merchandise is sold through the same vending machine, sales tax shall be calculated in accordance with MCL 205.54g(2).

(2) The operator of a nonelectric vending machine business, having sales of merchandise where the consideration is 10 cents or less, may deduct from the operator's gross proceeds the commissions paid to an exempt nonprofit entity, if the sales are of unsorted nuts, confections, or other merchandise, dispensed at random in substantially equal portions upon insertion of a coin.

(3) The business operator of a vending machine or other automatic sales device is defined, for the purpose of this rule, as the person who, personally or through an agent, removes the coins or other means of payment from the machines and is responsible for their disposition.

(4) The business operator of a vending machine or other automatic sales device shall maintain a sales tax license and shall pay the tax to the state on all taxable sales made through each machine or device operated by that person.

(5) It is immaterial whether the business operator owns the machine or the merchandise sold. If merchandise belonging to another is sold, the merchandise shall be considered consigned or entrusted to the control of the business operator for sale, in accordance with R 205.70.

(6) The name, address, and sales tax license number of its current business operator shall appear at all times on every vending machine or other automatic sales device from which tangible personal property is sold.

(7) Sales or purchases of vending machines and parts, as well as the tools and equipment for the maintenance thereof, are subject to sales or use tax. Machines used in retail vending of tangible personal property cannot qualify as exempt equipment acquired for "industrial processing" purposes.

R 205.127 Water

Rule 77. (1) Sales of water when delivered in any manner other than through mains, in bulk tanks in quantities of not less than 500 gallons to a consumer, or as bottled water, are taxable, regardless of the use or purpose of the water, unless exempt under R 205.90 or R 205.51.

(2) The sale of equipment, tools, machinery, pipes, fittings and supplies to a person for consumption or use in distributing and carrying water is taxable.

R 205.136 Food for human consumption.

Rule 86. (1) Retail sales of food for human consumption normally considered as grocery items for home consumption are tax exempt.

(2) Alcoholic products, such as beer, wine, and liquor, are taxable.

(3) Tobacco and tobacco products are taxable.

(4) Both of the following apply:

(a) Sales of "prepared food," as defined in MCL 205.54g(4), are taxable.

(b) Notwithstanding subdivision (s) of this subrule, "prepared food" does not include items as specified in MCL 205.54g(5).

(5) Eating utensils are “provided by the seller” under all of the following conditions:

(a) For a seller with a prepared food sales percentage greater than 75%, eating utensils are “provided by the seller” when the utensils are made available to purchasers.

(b) For a seller with a prepared food sales percentage of 75% or less, eating utensils are “provided by the seller” if the seller’s practice, as represented by the seller, is to physically give or hand the utensils to purchasers, except that plates, bowls, glasses, or cups necessary for the purchaser to receive the food, for example, dispensed soft drink or milk, or salad bar, need only be made available.

(c) A seller’s “prepared food sales percentage” at an establishment is a fraction determined by dividing the following described numerator by the following described denominator:

(i) The numerator shall consist of the seller’s annual sales of all of the following:

(A) Food sold in a heated state or heated by the seller.

(B) Two or more food ingredients mixed or combined by the seller for sale as a single item, not including food items specifically excluded in subrule (4)(b) of this rule.

(C) Food where plates, bowls, glasses or cups are necessary to receive the food, for example, dispensed soft drink or milk, or salad bar.

(ii) The denominator shall consist of the seller’s total annual sales of all food and food ingredients at the establishment including prepared food, candy, dietary supplements and soft drinks

(iii) Sales of alcoholic beverages are not included in the numerator or denominator.

(d) For a seller with a prepared food sales percentage greater than 75% who sells an item that contains 4 or more servings packaged as 1 item sold for a single price, that item does not become prepared food due to the seller having utensils available. Both of the following shall apply:

(i) If the seller provides utensils for that item as in subdivision (b) of this subrule, then the item is considered prepared food.

(ii) Whenever available, serving sizes shall be determined based on a label on an item sold. If no label is available, then a seller shall reasonably determine the number of servings in an item.

(e) When a seller sells a food item that has a utensil placed in the package by a person other than the seller, both of the following shall apply:

(i) If that person’s North American Industry Classification System (NAICS) classification code is that of manufacturer (sector 311), the seller shall not be considered to have provided the utensil except as provided in subdivisions (a), (b) and (d) of this subrule.

(ii) For any other packager with any other NAICS classification code, for example, sector 722 for caterers, the seller shall be considered to have provided the utensil.

(f) The prepared food sales percentage shall be calculated by a seller for each tax year or business fiscal year, based on the seller’s data from the prior tax year or business fiscal year, as soon as possible after accounting records are available, but not later than 90 days after the beginning of the seller’s tax year or business fiscal year.

(g) A single prepared food sales percentage shall be determined annually, for all of the seller’s establishments in this state.

(h) A new business shall make a good faith estimate of its prepared food sales percentage for its first year. A new business should adjust its good faith estimate prospectively after the first 3 months of operation if actual prepared food sales percentages materially affect the 75% threshold test.

(6) Prepared food sold by various organizations, such as churches or charitable, benevolent, social, or fraternal groups, including fund-raising projects, is taxable. Such organizations shall have a sales tax license for the purpose of reporting the tax due.

(7) Sales of prepared food and drink by a caterer are subject to tax.

(8) Sales of prepared food cooked to the order of the purchaser, or maintained at a temperature higher than normal room temperature, are taxable.

(9) Examples of nontaxable food items sold without eating utensils by a grocer or other food retailer for human consumption are as follows to serve as a guide for both the retailer and the consumer:

- (a) Baby food.
- (b) Bakery products.
- (c) Baking soda.
- (d) Bouillon cubes.
- (e) Candy and confectionery.
- (f) Carbonated beverages (bottle deposits are exempt).
- (g) Candied apples.
- (h) Caramel-coated popcorn.
- (i) Cereal and cereal products.
- (j) Chewing gum (nonmedicated).
- (k) Chocolate.
- (l) Cocoa.
- (m) Coconut.
- (n) Coffee and coffee substitutes.
- (o) Condiments.
- (p) Cookies.
- (q) Crackers.
- (r) Dehydrated fruits and vegetables.
- (s) Diet food.
- (t) Dietary supplements.
- (u) Eggs and egg products.
- (v) Extracts, flavoring as an ingredient of food products.
- (w) Fish and fish products.
- (x) Flour.
- (y) Food coloring.
- (z) Fruit and fruit products.
- (aa) Gelatin.
- (bb) Health foods.
- (cc) Honey.
- (dd) Ice cream, topping, and novelties.
- (ee) Jams.
- (ff) Jellies.
- (gg) Lard.
- (hh) Marshmallows.
- (ii) Mayonnaise.
- (jj) Meat and meat products.
- (kk) Milk and milk products.
- (ll) Mustard.
- (mm) Nuts.
- (nn) Oleomargarine.
- (oo) Olives.
- (pp) Olive oil.
- (qq) Peanut butter.
- (rr) Pepper.
- (ss) Pickles.
- (tt) Popcorn.

- (uu) Potato chips.
- (vv) Powdered drink mixes (pre-sweetened or natural).
- (ww) Relishes.
- (xx) Salad dressings and dressing mixes.
- (yy) Salt.
- (zz) Sauces.
- (aaa) Sherbets.
- (bbb) Shortenings.
- (ccc) Soups.
- (ddd) Spices.
- (eee) Sandwich spreads.
- (fff) Sugar, sugar products, and sugar substitutes.
- (ggg) Syrups.
- (hhh) Tea.
- (iii) Vegetables and vegetable products.
- (jjj) Water, bottled.
- (kkk) Yeast.
- (10) All of the following are examples of items subject to tax:
 - (a) Alcoholic beverages (containing 0.5% or more of alcohol by volume).
 - (b) Cocktail mixes (dry or liquid).
 - (c) Drugs (nonprescription).
 - (d) Household supplies.
 - (e) Hot prepared foods.
 - (f) Nonprescription medicines.
 - (g) Paper products.
 - (h) Pet foods and supplies.
 - (i) Prepared foods for immediate consumption.
 - (j) Soap and soap products.
 - (k) Toothpaste.

**PROPOSED ADMINISTRATIVE RULES,
NOTICES OF PUBLIC HEARINGS**

MCL 24.242(3) states in part:

“... the agency shall submit a copy of the notice of public hearing to the State Office of Administrative Hearings and Rules for publication in the Michigan register. An agency's notice shall be published in the Michigan register before the public hearing and the agency shall file a copy of the notice of public hearing with the State Office of Administrative Hearings and Rules.”

MCL 24.208 states in part:

“Sec. 8. (1) The State Office of Administrative Hearings and Rules shall publish the Michigan register at least once each month. The Michigan register shall contain all of the following:

* * *

(d) Proposed administrative rules.

(e) Notices of public hearings on proposed administrative rules.”

PROPOSED ADMINISTRATIVE RULES

SOAHR 2007-002

DEPARTMENT OF LABOR & ECONOMIC GROWTH

DIRECTOR'S OFFICE

OCCUPATIONAL HEALTH STANDARDS

Filed with the Secretary of State on

These rules become effective immediately upon filing with the Secretary of State unless adopted under sections 33, 44, or 45a(6) of 1969 PA 306. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

(By authority conferred on the director of the department of labor and economic growth by sections 14 and 24 of 1974 PA 154 and Executive Reorganization Order Nos. 1996-1, 1996-2, and 2003-18, MCL 408.1014, 408.1024, 330.3101, 445.2001, and 445.2011)

Draft March 16, 2007

R 325.52601 and R 325.52602 are added to the Michigan Administrative code and O.H. Rule 3220 is rescinded as follows:

PART 526. ~~OPEN SURFACE TANKS~~ DIPPING AND COATING OPERATIONS

R 325.52601 Adoption of federal O.S.H.A. standards.

Rule 1. (1) The federal occupational safety and health administration's regulations on dipping and coating operations that have been promulgated by the United States department of labor and codified at 29 C.F.R. §1910.122 to §1910.126, Dipping and Coating Operations, March 23, 1999 and appearing in the Federal Register, Volume 64, Number 55 on pp. 13897 to 13912, are adopted by reference in these rules as of the effective date of these rules.

(2) As of the effective date of these rules, §1910.1200, referenced in 29 C.F.R. §1910.123(d) means occupational health standard Part 430. Hazard Communication, R 325.77001 to R 325.77003.

(3) As of the effective date of these rules, Subpart Z, referenced in 29 C.F.R. §1910.124(b)(2) means occupational health standard Part 301. Air Contaminants, R 325.51101 to R 325.51108.

(4) As of the effective date of these rules, §1910.146, referenced in 29 C.F.R. §1910.124(e), means occupational health safety standard Part 490. Permit-Required Confined Spaces, R 325.63001 to R 325.63049.

(5) As of the effective date of these rules, §1910.141(d), referenced in 29 C.F.R. §1910.124(g)(3), mean occupational health standard Part 474. Sanitation, R 4201(4).

(6) As of the effective date of these rules, §1910.134, referenced in 29 C.F.R. §1910.124(j)(4) means occupational health standard Part 451. Respiratory Protection, R 325.60051 to R 325.60052.

(7) As of the effective date of these rules, Subpart S, referenced in 29 C.F.R. §1910.125(e)(1)(i) means general industry safety standard Part 39. Design Safety Standards for Electrical Systems,

R 408.13901 to R 408.13902 and Part 40. Electrical Safety-Related Work Practices, R 408.14001 to R 408.14009.

(8) As of the effective date of these rules, §1910.157, referenced in 29 C.F.R. §1910.125(f)(2)(i) means general industry safety standard Part 8. Portable Fire Extinguishers, R 408.10801 to R 408.10839.

(9) As of the effective date of these rules, Subpart L, referenced in 29 C.F.R. §1910.126(g)(7)(ii) means general industry safety standard Part 73. Fire Brigades, R 408.17301 to R 408.17320, Part 8. Portable Fire Extinguishers, R 408.10801 to R 408.10839, Part 9. Fixed Fire Equipment, R 408.10901 to R 408.10999, and Part 6. Fire Exits, Employee Emergency Plans, R 408.10623.

(10) These rules replace occupational health rule 3220.

R 325.52602 Availability of documents.

Rule 2. (1) The federal regulations adopted by reference in these rules are available without cost as of the time of adoption of these rules from the United States Department of Labor, OSHA, 315 West Allegan, Room 315, Lansing, Michigan 48933, or via the internet at website: www.osha.gov, or from the Michigan Department of Labor and Economic Growth, MIOSHA Standards Section, P.O. Box 30643, Lansing, Michigan 48909.

(2) The following Michigan occupational safety and health standards are referenced in these rules. Up to 5 copies of these standards may be obtained at no charge from the Michigan Department of Labor and Economic Growth, MIOSHA Standards Section, 7150 Harris Drive, P.O. Box 30643, Lansing, Michigan, 48909-8143 or via the internet at website:

www.michigan.gov/mioshastandards. For quantities greater than 5, the cost, as of the time of adoption of these rules, is 4 cents per page.

(a) General Industry Safety Standard Part 6. Fire Exits, R 408.10601 to R 408.10697.

(b) General Industry Safety Standard Part 8. Portable Fire Extinguishers, R 408.10801 to R 408.10839.

(c) General Industry Safety Standard Part 9. Fixed Fire Equipment, R 408.10901 to R 408.10999.

(d) General Industry Safety Standard Part 39. Design Safety Standards for Electrical Systems, R 408.13901 to R 408.13902.

(e) General Industry Safety Standard Part 40. Electrical Safety-Related Work Practices, R 408.14001 to R 408.14009.

(f) General Industry Safety Standard Part 73. Fire Brigades, R 408.17301 to R 408.17320.

(g) Occupational Health Standard Part 301. Air Contaminants, R 325.51101 to R 325.51108.

(h) Occupational Health Standard Part 430. Hazard Communication, R 325.77001 to R 325.77003.

(i) Occupational Health Standard Part 451. Respiratory Protection, R 325.60051 to R 325.60052.

(j) Occupational Health Standard Part 474. Sanitation, R 4201.

(k) Occupational Health Standard Part 490. Permit-Required Confined Spaces, R 325.63001 to R 325.63049.

(3) The following standards are available from IHS/Global, 15 Inverness Way East, Englewood, Colorado, 80112, USA, telephone number: 1-800-854-7179 or via the internet at website: <http://global.ihs.com>; at a cost as of the time of adoption of these rules, as stated in this subrule:

(a) American National Standard Institute Z9.1-1971 Open-Surface Tanks--Ventilation and Operation, 1971 edition. Cost \$20.00

(b) American National Standard Institute Z9.2-1979 Fundamentals Governing the Design and Operation of Local Exhaust Ventilation Systems, 1979 edition. Cost: \$73.00.

(c) National Fire Protection Association NFPA 34-1966 Standard for Dip Tanks Containing Flammable or Combustible Liquids, 1966 edition. Cost: \$20.00.

(d) National Fire Protection Association NFPA 34-1995 Standard for Dip Tanks Containing Flammable or Combustible Liquids, 1995 edition. Cost: \$39.00.

(e) National Fire Protection Association NFPA 86A-1969 Standard for Ovens and Furnaces, 1969 edition. Cost: \$66.00.

(f) ACGIH Industrial Ventilation: A Manual of Recommended Practice, 22nd edition, 1995. Cost: \$118.00.

Rule 3220—Open-surface tanks: Rescinded.

~~—(1) Scope:~~

~~—(a) This rule applies to all operations involving the immersion of materials in liquids, or in the vapors of such liquids, for the purpose of cleaning or altering their surfaces, or adding or imparting a finish thereto, or changing the character of the materials, and their subsequent removal from the liquids or vapors, draining, and drying. Such operations include washing, electroplating, anodizing, pickling, quenching, dyeing, dipping, tanning, dressing, bleaching, degreasing, alkaline cleaning, stripping, rinsing, digesting, and other similar operations, but do not include molten materials handling operations, or surface-coating operations. [1910.94(d)(1)(i)]~~

~~—(i) "Molten materials handling operations" means all operations other than welding, burning, and soldering operations, involving the use, melting, smelting, or pouring of metals, alloys, salts, or other similar substances in the molten state. Such operations also include heat treating baths, descaling baths, die casting stereotyping, galvanizing, tinning, and similar operations. [1910.94(d)(13)(ii)]~~

~~—(ii) "Surface-coating operations" means all operations involving the application of protective, decorative, adhesive, or strengthening coating or impregnation to one or more surfaces, or into the interstices of any object or material, by means of spraying, spreading, flowing, brushing, roll coating, pouring, cementing, or similar means; and any subsequent draining or drying operations, excluding open-tank operations. [1910.94(d)(13)(iii)]~~

~~—(b) Except where specific construction specifications are prescribed in this section, hoods, ducts, elbows, fans, blowers, and all other exhaust system parts, components, and supports thereof shall be so constructed as to meet conditions of service and to facilitate maintenance and shall conform in construction to the specifications contained in American National Standard Fundamentals Governing the Design and Operation of Local Exhaust Systems, Z9.2-1960. [1910.94(d)(1)(ii)]~~

~~—(2) Classification of open-surface tank operations:~~

~~—(a) Open-surface tank operations shall be classified into 16 classes, numbered A-1 to D-4, inclusive. [1910.94(d)(2)(i)]~~

~~—(b) Determination of class. Class is determined by two factors, hazard potential designated by a letter from A to D, inclusive, and rate of gas, vapor, or mist evolution designated by a number from 1 to 4, inclusive (for example, B.3). [1910.94(d)(2)(ii)]~~

~~—(c) Hazard potential is an index, on a scale of from A to D, inclusive, of the severity of the hazard associated with the substance contained in the tank because of the toxic, flammable, or explosive nature of the vapor, gas, or mist produced therefrom. The toxic hazard is determined from the concentration, measured in parts by volume of a gas or vapor, per million parts by volume of contaminated air (p.p.m.); or in milligrams of mist per cubic meter of air (mg/m^3), below which ill effects are unlikely to occur to the exposed worker. The concentrations shall be those in Chapter II. [1910.94(d)(2)(iii)]~~

~~—(d) The relative fire or explosion hazard is measured in degrees Fahrenheit in terms of the closed-cup flash point of the substance in the tank. Detailed information on the prevention of fire hazards in dip tanks may be found in Dip Tanks Containing Flammable or Combustible Liquids, NFPA No. 34-1966,~~

National Fire Protection Association. Where the tank contains a mixture of liquids, other than organic solvents, whose effects are additive, the hygienic standard of the most toxic component (for example, the one having the lowest p.p.m. or mg/m³) shall be used, except where such substance constitutes an insignificantly small fraction of the mixture. For mixtures of organic solvents, their combined effect, rather than that of either individually, shall determine the hazard potential. In the absence of information to the contrary, the effects shall be considered as additive. If the sum of the ratios of the airborne concentration of each contaminant to the toxic concentration of that contaminant exceeds unity, the toxic concentration shall be considered to have been exceeded. (See Note A to paragraph (e) of this subsection.) [1910.94(d)(2)(iv)]

—(e) Hazard potential shall be determined from Table G-12, with the value indicating greater hazard being used. When the hazardous material may be either a vapor with a threshold limit value (TLV) in p.p.m. or a mist with a TLV in mg/m³, the TLV indicating the greater hazard shall be used (for example, A takes precedence over B or C; B over C; C over D). [1910.94(d)(2)(v)]

—Note A:

$$\frac{e_1}{TLV_1} + \frac{e_2}{TLV_2} + \frac{e_3}{TLV_3} + \dots + \frac{e_n}{TLV_n} > 1$$

$$\frac{e_1}{TLV_1} + \frac{e_2}{TLV_2} + \frac{e_3}{TLV_3} + \dots + \frac{e_n}{TLV_n}$$

—where:

—e = Concentration measured at the operation in p.p.m.

TABLE G-12

DETERMINATION OF HAZARD POTENTIAL

Hazard potential	Toxicity Group		
	Gas or vapor (p.p.m.)	Mist (mg/m ³)	Flash point (in degrees F.)
A	0-10	0-0.1	-----
B	11-100	0.11-1.0	Under 100
C	101-500	1.1-10	100-200
D	over 500	over 10	over 200

[1910.94(d)(2)(v)]

—(f) Rate of gas, vapor or mist evolution is a numerical index, on a scale of from 1 to 4, inclusive, both of the relative capacity of the tank to produce gas, vapor, or mist and of the relative energy with which it is projected or carried upwards from the tank. Rate is evaluated in terms of the following: [1910.94(d)(2)(vi)]

—(i) The temperature of the liquid in the tank in degree Fahrenheit; [1910.94(d)(2)(vi)(a)]

—(ii) The number of degrees Fahrenheit that this temperature is below the boiling point of the liquid in degrees Fahrenheit; [1910.94(d)(2)(vi)(b)]

—(iii) The relative evaporation of the liquid in still air at room temperature in an arbitrary scale—fast, medium, slow, or nil; and [1910.94(d)(2)(vi)(c)]

—(iv) The extent that the tank gases or produces mist in an arbitrary scale—high, medium, low, and nil. (See Table G-13, Note 2.) Gassing depends upon electrochemical or mechanical processes, the effects of which have to be individually evaluated for each installation (see Table G-13, Note 3). [1910.94(d)(2)(vi)(d)]

—(g) Rate of evolution shall be determined from Table G-13. When evaporation and gassing yield different rates, the lowest numerical value shall be used. [1910.94(d)(2)(vii)]

TABLE G-13**DETERMINATION OF RATE OF GAS, VAPOR, OR MIST EVOLUTION¹**

Rate	Liquid temperature ; °F	Degrees below boiling point	Relative evaporation ²	Gassing ³
1	Over 200	0-20	Fast	High
2	150-200	21-50	Medium	Medium
3	94-140	51-100	Slow	Low
4	Under 94	Over 100	Nil	Nil

— Note 1. In certain classes of equipment, specifically vapor degreasers, an internal condenser or vapor level thermostat is used to prevent the vapor from leaving the tank during normal operation. In such cases, rate of vapor evolution from the tank into the workroom is not dependent upon the factors listed in the table, but rather upon abnormalities of operating procedures, such as carryout of vapors from excessively fast action, dragout of liquid by entrainment in parts, contamination of solvent by water and other materials, or improper heat balance. When operating procedure is excellent, effective rate of evolution may be taken as 4. When operating procedure is average, the effective rate of evolution may be taken as 3. When operation is poor, a rate of 2 or 1 is indicated, depending upon observed conditions.

— Note 2. Relative evaporation rate is determined according to the methods described by A.K. Doolittle in Industrial and Engineering Chemistry, vol. 27, p. 1169, (3) where time for 100 percent evaporation is as follows: Fast: 0-3 hours; Medium: 3-12 hours; Slow: 12-50 hours; Nil: more than 50 hours.

— Note 3. Gassing means the formation by chemical or electrochemical action of minute bubbles of gas under the surface of the liquid in the tank and is generally limited to aqueous solutions.

— (3) Ventilation. Where ventilation is used to control potential exposures to workers as defined in paragraph (2)(c) of this rule, it shall be adequate to reduce the concentration of the air contaminant to the degree that a hazard to the workers does not exist. Methods of ventilation are discussed in American National Standard Fundamentals Governing the Design and Operation of Local Exhaust Systems Z9.2-1960. [1910.94(d)(3)]

— (4) Control requirements.

— (a) Control velocities shall conform to Table G-14 in all cases where the blow of air past the breathing or working zone of the operator and into the hoods is undistributed by local environmental conditions, such as open windows, wall fans, unit heaters, or moving machinery. [1910.94(d)(4)(i)]

TABLE G-14
CONTROL VELOCITIES IN FEET PER MINUTE (F.P.M.) FOR UNDISTURBED LOCATIONS

Class	Enclosing Hood			Canopy Hood ²	
	One open side	Two open sides	Lateral exhaust ¹	Three open sides	Four open sides
A-1 & A-2	100	150	150	Do not use	Do not use
A-3 (Note 2), B-1, B-2, & C-1	75	100	100	125	175
B-3, C-2, & D-1, (Note 3)	65	90	75	100	150
A-4, (Note 2), C-3, & D-2, (Note 3)	50	75	50	75	125
B-4, C-4, D-3, (Note 3), & D-4	General room ventilation required.				

— Notes:

— 1. See Table G-15 for computation of ventilation rate.

— 2. Do not use canopy hood for Hazard Potential A processes.

— 3. Where complete control of hot water is desired, design as next highest class.

— (b) All tanks exhausted by means of hood which, [1910.94(d)(4)(ii)]

— (i) Project over the entire tank; [1910.94(d)(4)(ii)(a)]

— (ii) Are fixed in position in such a location that the head of the workman, in all his normal operating positions while working at the tank, is in front of all hood openings; and [1910.94(d)(4)(ii)(b)]

— (iii) Are completely enclosed on at least two sides, shall be considered to be exhausted through an enclosing hood. [1910.94(d)(4)(ii)(c)]

— (iv) The quantity of air in cubic feet per minute necessary to be exhausted through an enclosing hood shall be not less than the product of the control velocity times the net area of all openings in the enclosure through which air can flow into the hood. [1910.94(d)(4)(ii)(d)]

— (e) All tanks exhausted by means of hoods which do not project over the entire tank, and in which the direction of air movement into the hood or hoods is substantially horizontal, shall be considered to be laterally exhausted. The quantity of air in cubic feet per minute necessary to be laterally exhausted per square foot of tank area in order to maintain the required control velocity shall be determined from Table G-15 for all variations in ratio of tank width (W) to tank length (L). The total quantity of air in cubic feet per minute required to be exhausted per tank shall be not less than the product of the area of tank surface times the cubic feet per minute per square foot of tank area, determined from Table G-15. [1910.94(d)(4)(iii)]

TABLE G-15
MINIMUM VENTILATION RATE IN CUBIC FEET OF AIR PER MINUTE
PER SQUARE FOOT OF TANK AREA FOR LATERAL EXHAUST

Required minimum control velocity, f.p.m. (from table G-14)	C.f.m. per square foot to maintain required minimum velocities at following ratios (tank width (W) / tank length (L)) - 1,2				
	0.0 to 0.09	0.1 to 0.24	0.25 to 0.49	0.5 to 0.99	1.0 to 2.0

Hood along one side or two parallel sides of tank when one hood is against a wall or baffle. ² Also for a manifold along tank centerline. ³					
50	50	60	75	90	100
75	75	90	110	130	150
100	100	125	150	175	200
150	150	190	225	260	300
Hood along one side or two parallel sides of free standing tank not against wall or baffle.					
50	75	90	100	110	125
75	110	130	150	170	190
100	150	175	200	225	250
150	225	260	300	340	375

¹ It is not practicable to ventilate across the long dimension to a tank whose ratio W/L exceeds 2.0. It is undesirable to do so when W/L exceeds 1.0. For circular tanks with lateral exhaust along up to 1/2 the circumference, use W/L=1.0; for over one-half the circumference use W/L = 0.5.

² Baffle is a vertical plate the same length as the tank, and with the top of the plate as high as the tank is wide. If the exhaust hood is on the side of a tank against a building wall or close to it, it is perfectly baffled.

³ Use W/2 as tank width in computing when manifold is along centerline, or when hoods are used on two parallel sides of a tank.

— Tank Width (W) means the effective width over which the hood must pull air to operate (for example, where the hood face is set back from the edge of the tank, this set back must be added in measuring tank width). The surface area of tanks can frequently be reduced and better control obtained (particularly on conveyORIZED systems) by using covers extending from the upper edges of the slots toward the center of the tank.

— (ii) For lateral exhaust hoods over 42 inches wide, or where it is desirable to reduce the amount of air removed from the workroom, air supply slots or orifices shall be provided along the sides or the center of the tank opposite from the exhaust slots. The design of such systems shall meet the following criteria: [1910.94(d)(4)(iii)(a)]

— (A) The supply air volume plus the entrained air shall not exceed 50 percent of the exhaust volume. [1910.94(d)(4)(iii)(a)(1)]

— (B) The velocity of the supply air stream as it reaches the effective control area of the exhaust slot shall be less than the effective velocity over the exhaust slot area. [1910.94(d)(4)(iii)(a)(2)]

— (C) The vertical height of the receiving exhaust hood, including any baffle, shall not be less than one-quarter the width of the tank. [1910.94(d)(4)(iii)(a)(3)]

— (D) The supply air stream shall not be allowed to impinge on obstructions between it and the exhaust slot in such a manner as to significantly interfere with the performance of the exhaust hood. [1910.94(d)(4)(iii)(a)(4)]

— (E) Since most failure of push-pull systems result from excessive supply air volumes and pressures, methods of measuring and adjusting the supply air shall be provided. When satisfactory control has been achieved, the adjustable features of the hood shall be fixed so that they will not be altered. [1910.94(d)(4)(iii)(a)(5)]

— (d) All tanks exhausted by means of hoods which project over the entire tank, and which do not conform to the definition of enclosing hoods, shall be considered to be overhead canopy hoods. The

quantity of air in cubic feet per minute necessary to be exhaust through a canopy hood shall be not less than the product of the control velocity times the net area of all openings between the bottom edges of the hood and the top edges of the tank. [1910.94(d)(4)(iv)]

—(e) The rate of vapor evolution (including steam or products of combustion) from the process shall be estimated. If the rate of vapor evolution is equal to or greater than 10 percent of the calculated exhaust volume required, the exhaust volume shall be increased in equal amount. [1910.94(d)(4)(v)]

—(5) Spray cleaning and degreasing. Wherever spraying or other mechanical means are used to disperse a liquid above an open surface tank, control must be provided for the airborne spray. Such operations shall be enclosed as completely as possible. The inward air velocity into the enclosure shall be sufficient to prevent the discharge of spray into the workroom. Mechanical baffles may be used to help prevent the discharge of spray. Spray painting operations are covered by Rule 3235. [1910.94(d)(5)]

—(6) Control means other than ventilation. Tank covers, foams, beads, chips, or other materials floating on the tank surface so as to confine gases, mists, or vapors to the area under the cover or to the foam, bead, or chip layer, or surface tension depressive agents added to the liquid in the tank to minimize mist formation, or any combination thereof, may all be used as gas, mist, or vapor control means for open-surface tank operations, provided that they effectively reduce the concentrations of hazardous materials in the vicinity of the worker below the limits set in accordance with subsection (2) of this rule. [1910.94(d)(6)]

—(7) System design:

—(a) The equipment for exhausting air shall have sufficient capacity to produce the flow of air required in each of the hoods and openings of the system. [1910.94(d)(7)(i)]

—(b) The capacity required in paragraph (a) of this subsection shall be obtained when the airflow producing equipment is operating against the following pressure losses, the sum of which is the static pressure: [1910.94(d)(7)(ii)]

—(i) Entrance losses into the hood. [1910.94(d)(7)(ii)(a)]

—(ii) Resistance to airflow in branch pipe including bends and transformations. [1910.94(d)(7)(ii)(b)]

—(iii) Entrance loss into the main pipe. [1910.94(d)(7)(ii)(c)]

—(iv) Resistance to airflow in main pipe including bends and transformations. [1910.94(d)(7)(ii)(d)]

—(v) Resistance of mechanical equipment; that is, filters, washers, condensers, absorbers, etc., plus their entrance and exit losses. [1910.94(d)(7)(ii)(e)]

—(vi) Resistance in outlet duct and discharge stack. [1910.94(d)(7)(ii)(f)]

—(c) Two or more operations shall not be connected to the same exhaust system where either one or the combination of the substances removed may constitute a fire, explosion, or chemical reaction hazard in the duct system. Traps or other devices shall be provided to insure that condensate in ducts does not drain back into the tank. [1910.94(d)(7)(iii)]

—(d) The exhaust system, consisting of hoods, ducts, air mover, and discharge outlet shall be designed in accordance with American National Standard Fundamentals Governing and Design and Operation of Local Exhaust Systems, Z9.2-1960, or the manual, Industrial Ventilation, published by the American Conference of Governmental Industrial Hygienists 1970. Airflow and pressure loss data provided by the manufacturer of any air cleaning device shall be included in the design calculations. [1910.94(d)(7)(iv)]

—(8) Operation:

—(a) The required airflow shall be maintained at all times during which gas, mist or vapor is emitted from the tank and at all times the tank, the draining, or the drying area is in operation or use. When the system is first installed, the airflow from each hood shall be measured by means of a pitot traverse in the exhaust duct and corrective action taken if the flow is less than that required. When the proper flow is obtained, the hood static pressure shall be measured and recorded. At intervals of not more than 3 months operation, or after a prolonged shutdown period, the hoods and duct system shall be inspected

for evidence of corrosion or damage. In any case where the airflow is found to be less than required, it shall be increased to the required value. (Information on airflow and static pressure measurement and calculations may be found in American National Standard Fundamentals Governing the Design and Operation of Local Exhaust Systems, Z9.2-1960, or in the manual, Industrial Ventilation, published by the American Conference of Governmental Industrial Hygienists.) [1910.94(d)(8)(i)]

—(b) The exhaust system shall discharge to the outer air in such a manner that the possibility of its effluent entering any building is at a minimum. Recirculation shall only be through a device for contaminant removal which will prevent the creation of a health hazard in the room or area to which the air is recirculated (see Rule 3101(10)). [1910.94(d)(8)(ii)]

—(c) A volume of outside air in the range of 90 percent to 110 percent of the exhaust volume shall be provided to each room having exhaust hoods. The outside air supply shall enter the workroom in such a manner as not to be detrimental to any exhaust hood. The airflow of the make-up air system shall be measured on installation. Periodically, thereafter, the airflow should be remeasured, and corrective action shall be taken when the airflow is below that required. The make-up air shall be uncontaminated. [1910.94(d)(8)(iii)]

—(9) Personal protection:

—(a) All employees working in and around open-surface tank operations must be instructed as to the hazards of their respective jobs, and in the personal protection and first-aid procedures application to these hazards. [1910.94(d)(9)(i)]

—(b) Personal protective clothing requirements for persons engaged in open-surface tank operations are set forth in the Occupational Safety Standards for General Industry.

—(c) When, during emergencies as described in paragraph (11)(e) of this rule, workers must be in areas where concentrations of air contaminants are greater than the limit set by paragraph (2)(c) of this rule or oxygen concentrations are less than 19.5 percent, they shall be required to wear respirators adequate to reduce their exposure to a level below these limits, or to provide adequate oxygen. Such respirators shall also be provided in marked, quickly accessible storage compartments built for the purpose, when there exists the possibility of accidental release of hazardous concentrations of air contaminants. Respirators shall be approved by the U.S. Bureau of Mines, U.S. Department of Interior and shall be selected by a competent industrial hygienist or other technically qualified source. Respirators shall be used in accordance with Rule 3501 and 3502, and persons who may require them shall be trained in their use. [1910.94(d)(9)(vi)]

—(d) Near each tank containing a liquid which may burn, irritate, or otherwise be harmful to the skin if splashed upon the worker's body, there shall be a supply of clean cold water. The water pipe (carrying a pressure not exceeding 25 pounds) shall be provided with a quick opening valve and at least 48 inches of hose not smaller than three-fourths inch, so that no time may be lost in washing off liquids from the skin or clothing. Alternatively, deluge showers and eye flushes shall be provided in cases where harmful chemicals may be splashed on parts of the body. [1910.94(d)(9)(vii)]

—(e) Operators with sores, burns, or other skin lesions requiring medical treatment shall not be allowed to work at their regular operations until so authorized by a physician. Any small skin abrasions, cuts, rash, or open sores which are found or reported shall be treated by a properly designated person so that chances of exposures to the chemicals are removed. Workers exposed to chromic acid shall have a periodic examinations made of the nostrils and other parts of the body, to detect incipient ulceration. [1910.94(d)(9)(viii)]

—(f) Sufficient washing facilities, including soap, individual towels, and hot water, shall be provided for all persons required to use or handle any liquids which may burn, irritate, or otherwise be harmful to the skin, on the basis of at least one basin (or its equivalent) with a hot water faucet for every 10 employees. See Rule 4201. [1910.94(d)(9)(ix)]

- ~~—(g) Locker space or equivalent clothing storage facilities shall be provided to prevent contamination of street clothing (see Rule 4201). [1910.94(d)(9)(x)]~~
- ~~—(h) First aid facilities specific to the hazards of the operations conducted shall be readily available (see Rule 4401). [1910.94(d)(9)(xi)]~~
- ~~—(10) Special precautions for cyanide. Dikes or other arrangements shall be provided to prevent the possibility of intermixing of cyanide and acid in the event of tank rupture. [1910.94(d)(10)]~~
- ~~—(11) Inspection, maintenance, and installation:~~
 - ~~—(a) Floors and platforms around tanks shall be prevented from becoming slippery both by original type of construction and by frequent flushing. They shall be firm, sound, and of the design and construction to minimize the possibility of tripping. [1910.94(d)(11)(i)]~~
 - ~~—(b) Before cleaning the interior of any tank, the contents shall be drained off, and the cleanout doors shall be opened where provided. All pockets in tanks or pits, where it is possible for hazardous vapors to collect, shall be ventilated and cleared of such vapors. [1910.94(d)(11)(ii)]~~
 - ~~—(c) Tanks which have been drained to permit employees to enter for the purposes of cleaning, inspection, or maintenance may contain atmospheres which are hazardous to life or health, through the presence of flammable or toxic air contaminants, or through the absence of sufficient oxygen. Before employees shall be permitted to enter any such tank, appropriate tests of the atmosphere shall be made to determine if the limits set by paragraph (2)(c) of this rule are exceeded, or if the oxygen concentration is less than 19.5 percent (see Rule 3303). [1910.94(d)(11)(iii)]~~
 - ~~—(d) If the tests made in accordance with paragraph (c) of this subsection indicates that the atmosphere in the tank is unsafe, before any employee is permitted to enter the tank, the tank shall be ventilated until the hazardous atmosphere is removed, and ventilation shall be continued so as to prevent the occurrence of a hazardous atmosphere as long as an employee is in the tank (see Rule 3303). [1910.94(d)(11)(iv)]~~
 - ~~—(e) If, in emergencies, such as rescue work, it is necessary to enter a tank which may contain a hazardous atmosphere, suitable respirators, such as self-contained breathing apparatus; hose mask with blower, if there is a possibility of oxygen deficiency; or a gas mask, selected and operated in accordance with paragraph (9)(c) of this rule, shall be used. If a contaminant in the tank can cause dermatitis, or be absorbed through the skin, the employee entering the tank shall also wear protective clothing. At least one trained standby employee, with suitable respirator, shall be present in the nearest uncontaminated area. The standby employee must be able to communicate with the employee in the tank and be able to haul him out of the tank with a lifeline if necessary (see Rule 3303). [1910.94(d)(11)(v)]~~
 - ~~—(f) Maintenance work requiring welding or open flame, where toxic metal fumes such as cadmium, chromium, or lead may be evolved, shall be done only with sufficient local exhaust ventilation to prevent the creation of a health hazard, or be done with respirators selected and used in accordance with paragraph (9)(c) of this rule. Welding or the use of open flames near any solvent cleaning equipment shall be permitted only after such equipment has first been thoroughly cleared of solvents and vapors. [1910.94(d)(11)(vi)]~~
- ~~—(12) Vapor degreasing tanks:~~
 - ~~—(a) In any vapor degreasing tank equipped with a condenser or vapor level thermostat, the condenser or thermostat shall keep the level of vapors below the top edge of the tank by a distance at least equal to one-half the tank width, or at least 36 inches, whichever is shorter. [1910.94(d)(12)(i)]~~
 - ~~—(b) Where gas is used as a fuel for heating vapor degreasing tanks, the combustion chamber shall be of tight construction, except for such openings as the exhaust flue, and those that are necessary for supplying air for combustion. Flues shall be of corrosion-resistant construction and shall extend to the outer air. If mechanical exhaust is used on this flue, a draft diverter shall be used. Special precautions must be taken to prevent solvent fumes from entering the combustion air of this or any other heater when chlorinated or fluorinated hydrocarbon solvents (for example, trichloroethylene, Freon) are used. [1910.94(d)(12)(ii)]~~

~~—(c) Heating elements shall be so designed and maintained that their surface temperature will not cause the solvent or mixture to decompose, break down, or be converted into an excessive quantity of vapor. [1910.94(d)(12)(iii)]~~

~~—(d) Tanks or machines of more than 4 square feet of vapor area, used for solvent cleaning or vapor degreasing, shall be equipped with suitable cleanout or sludge doors located near the bottom of each tank or still. These doors shall be so designed and gasketed that there will be no leakage of solvent when they are closed. [1910.94(d)(12)(iv)]~~

~~—(13) Ventilation for Dip Tanks Containing Flammable or Combustible Liquids.~~

~~—(a) Definitions applicable to this subsection. [1910.108(a)]~~

~~—(i) "Dip tank" shall mean a tank, vat, or container of flammable or combustible liquid in which articles or materials are immersed for the purpose of coating, finishing, treating, or similar processes. [1910.108(a)(1)]~~

~~—(ii) "Vapor area" shall mean any area containing dangerous quantities of flammable vapors in the vicinity of dip tanks, their drainboards or associated drying, conveying, or other equipment, during operation or shutdown periods. [1910.108(a)(2)]~~

~~—(b) Ventilation.~~

~~—(i) Vapor area ventilation. Vapor areas as defined in subdivision (a)(ii) of this subsection shall be limited to the smallest practical space by maintaining a properly designed system of mechanical ventilation arranged to move air from all directions towards the vapor area origin and thence to a safe outside location. Ventilating systems shall conform to the Standards for Blower and Exhaust Systems (NFPA Pamphlet No. 91-1969). Required ventilating systems shall be so arranged that the failure of any ventilating fan shall automatically stop any dipping conveyor system. See also Occupational Safety Standards for General Industry. [1910.108(b)(1)]~~

~~—(ii) Ventilation combined with drying. When a required ventilating system serves associated drying operations utilizing a heating system which may be a source of ignition, means shall be provided for prevention before the heating system can be started; the failure of any ventilating fan shall automatically shut down the heating system; and the installation shall otherwise conform to the Standard for Ovens and Furnaces (NFPA No. 86A-1969). [1910.108(b)(2)]~~

~~—(c) Operations and maintenance.~~

~~Inspection. Periodic inspection or tests of all dip tank facilities shall be made, including covers, overflow pipe inlets and discharge, bottom drains and valves, electrical wiring and equipment and grounding connections, ventilating facilities, and all extinguishing equipment. Any defects found shall be promptly corrected. [1910.108(f)(3)]~~

~~—(d) Special dip tank applications.~~

~~—(i) Electrostatic apparatus; general.~~

~~—(A) Installation and use of electrostatic detearing equipment shall conform to this subsection. [1910.108(h)(3)(i)]~~

~~—(B) Electrostatic apparatus shall be equipped with automatic controls which will operate without time delay to disconnect the power supply to the high voltage transformer and to signal the operator upon stoppage of ventilating fans or failure of ventilating equipment from any cause. [1910.108(h)(3)(ix)(a)]~~

~~—(C) The detearing area shall be ventilated by exhausting adequate air from the area as specified in paragraph (b) of this subsection. [1910.108(h)(3)(xii)]~~

~~—(ii) Roll coating.~~

~~—(A) The processes of roll coating, spreading, and impregnating, in which fabrics, paper, or other materials are passed directly through a tank or trough containing flammable or combustible liquids, or over the surface of a roller that revolves partially submerged in a Class I or Class II liquid, as these terms are defined in Rule 3110, shall conform to the applicable requirements of this subsection and shall conform to the Occupational Safety Standards for General Industry. [1910.108(h)(4)(i)]~~

- ~~—(B) Adequate arrangements shall be made to prevent sparks from static electricity by electrically bonding and grounding all metallic rotating and other parts of machinery and equipment and by the installation of static collectors or maintaining a conductive atmosphere such as a high relative humidity.~~
~~[1910.108(h)(4)(ii)]~~
- ~~—(iii) Additional safety requirements. Additional safety requirements for dip tanks containing flammable or combustible liquids are found in the Occupational Safety Standards for General Industry.~~

PROPOSED ADMINISTRATIVE RULES

SOAHR 2007-003

DEPARTMENT OF LABOR & ECONOMIC GROWTH

DIRECTOR'S OFFICE

GENERAL INDUSTRY SAFETY STANDARDS

Filed with the Secretary of State on

These rules become effective immediately upon filing with the Secretary of State unless adopted under sections 33, 44, or 45a(6) of 1969 PA 306. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

(By authority conferred on the director of the department of labor and economic growth by sections 16 and 21 of 1974 PA 154 and Executive Reorganization Order Nos. 1996-2 and 2003-18, MCL 408.1016, 408.1021, 445.2001, and 445.2011)

Draft March 16, 2007

R 408.17601 and R 408.17602 of the Michigan Administrative Code are amended and R 408.17603, R 408.17605, R 408.17607, R 408.17609, R 408.17610, R 408.17612, R 408.17613, R 408.17614, R 408.17615, R 408.17616, R 408.17618, R 408.17620, R 408.17621, R 408.17622, R 408.17623, R 408.17624, R 408.17630, R 408.17631, R 408.17632, R 408.17633, R 408.17636, R 408.17637, R 408.17640, R 408.17641, R 408.17650, R 408.17651, R 408.17696, and R 408.17699 are rescinded from the code as follows:

**PART 76. SPRAY FINISHING USING FLAMMABLE AND COMBUSTIBLE MATERIALS AND
DIP TANKS**

R 408.17601 Scope. Adoption of federal O.S.H.A. standards.

~~Rule 7601. This part sets forth rules and specifications for spray finishing and dip tank operations in, around or about places of employment. This part also covers the application of combustible powders by powder spray guns, electrostatic powder spray guns, fluidized beds, or electrostatic fluidized beds. This part does not apply to outdoor spray application of buildings, tanks, or other similar structures or to small portable spraying apparatus which is not used repeatedly in the same location.~~

Rule 7601. (1) The federal occupational safety and health administration's regulations on spray finishing using flammable and combustible materials that have been promulgated by the United States department of labor and codified at 29 C.F.R. §1910.107, Spray Finishing Using Flammable and Combustible Materials, March 7, 1996 and appearing in the Federal Register, Volume 61, No. 46 on p. 9237 and the federal occupational safety and health administration's regulations on ventilation for spray finishing operations that have been promulgated by the United States department of labor and codified at 29 C.F.R. §1910.94(c), Ventilation for Spray Finishing

Operations, March 23, 1999 and appearing in the Federal Register, Volume 64, No. 55 on p. 13909, are adopted by reference in these rules as of the effective date of these rules.

(2) As of the effective date of these rules, Subpart S, referenced in 29 C.F.R. §1910.107(c)(4), (c)(6), (j)(4)(iv), and (l)(1) means general industry safety standard Part 39. Design Safety Standards for Electrical Systems, R 408.13901 to R 408.13902 and Part 40. Electrical Safety-Related Work Practices, R 408.14001 to R 408.14009.

(3) As of the effective date of these rules, §1910.106, referenced in 29 C.F.R. §1910.107(e)(1), means general industry safety standard Part 75. Flammable and Combustible Liquids, R 408.17501.

(4) As of the effective date of these rules, §1910.159, referenced in 29 C.F.R. §1910.107(f)(1), mean general industry safety standard Part 9. Fixed Fire Equipment, Automatic Sprinkler Systems, R 408.10921 to R 408.10928.

(5) These rules replace occupational health rule 3235.

(6) Rules for dip tank operations can be found in occupational health standard Part 526. Dipping and Coating Operations, R 325.52601 to R 325.52602.

R 408.17602 Definitions; A to L Availability of documents.

~~—Rule 7602. (1) “Aerated solid powders” means any powdered material used as a coating material which shall be fluidized within a container by passing air uniformly through the material.~~

~~—(2) “Approved” means, unless otherwise indicated, approval or listing by underwriters laboratories, inc. or factory mutual engineering corporation, or both.~~

~~—(3) “Combustible liquid” means any liquid having a flash point at or above 100 degrees Fahrenheit (37.8 degrees Celsius) closed cup.~~

~~—(4) “Dip tank” means a tank, vat, or container of flammable or combustible liquid in which articles or materials are immersed for the purpose of coating, finishing, treating, or similar processes.~~

~~—(5) “Electrostatic fluidized bed” means a container holding powder coating material which is aerated so as to form an air supported expanded cloud of such material which is electrically charged with a charge opposite to the charge of the object to be coated; such object is transported through the container immediately above the charged and aerated materials in order to be coated.~~

~~—(6) “Flammable liquid” means any liquid having a flash point below 100 degrees Fahrenheit (37.8 degrees Celsius) closed cup and have a vapor pressure not exceeding 40 psi absolute (2068.6 mm) at 100 degrees Fahrenheit (37.8 degrees Celsius).~~

~~—(7) “Fluidized bed” means a container holding powder coating material which is aerated so as to form an air supported expanded cloud of such material and through which the preheated object to be coated is immersed and transported.~~

~~—(8) “Liquids” within the scope of this standard, means combustible liquid or flammable liquid.~~

~~—(9) “Listed” means “approved” as defined in subrule (2) of this rule.~~

~~—(10) “Lower explosive limit (LEL)” means the lowest value expressed in percent by volume, of fuel vapor in air which will burn when ignited.~~

Rule 7602. (1) The federal regulations adopted by reference in these rules are available without cost as of the time of adoption of these rules from the United States Department of Labor, OSHA, 315 West Allegan, Room 315, Lansing, Michigan 48933, or via the internet at website: www.osha.gov, or from the Michigan Department of Labor and Economic Growth, MIOSHA Standards Section, P.O. Box 30643, Lansing, Michigan 48909.

(2) The following Michigan occupational safety and health standards are referenced in these rules. Up to 5 copies of these standards may be obtained at no charge from the Michigan Department of Labor and Economic Growth, MIOSHA Standards Section, 7150 Harris Drive, P.O. Box 30643, Lansing, Michigan, 48909-8143 or via the internet at website:

www.michigan.gov/mioshastandards. For quantities greater than 5, the cost, as of the time of adoption of these rules, is 4 cents per page.

(a) General Industry Safety Standard Part 9. Fixed Fire Equipment, R 408.10901 to R 408.10999.

(b) General Industry Safety Standard Part 39. Design Safety Standards for Electrical Systems, R 408.13901 to R 408.13902.

(c) General Industry Safety Standard Part 40. Electrical Safety-Related Work Practices, R 408.14001 to R 408.14009.

(d) General Industry Safety Standard Part 75. Flammable and Combustible Liquids, R 408.17501.

(e) Occupational Health Standard Part 526. Dipping and Coating Operations, R 325.52601 to R 325.52602

(3) The following standards are available from IHS/Global, 15 Inverness Way East, Englewood, Colorado, 80112, USA, telephone number: 1-800-854-7179 or via the internet at website: <http://global.ihs.com>; at a cost as of the time of adoption of these rules, as stated in this subrule:

(a) American National Standard Institute Z9.1-1951 Open-Surface Tanks--Ventilation and Operation, 1951 edition. Cost \$20.00

(b) American National Standard Institute Z9.2-1960 Fundamentals Governing the Design and Operation of Local Exhaust Ventilation Systems, 1960 edition. Cost: \$32.00.

(c) American Society of Mechanical Engineers, Code for Unfired Pressure Vessels, Section VIII of the ASME Boiler and Pressure Vessel Code, 1968 edition. Cost: \$141.00

(d) National Fire Protection Association NFPA 33-1969 Standard for Spray Finishing Using Flammable and Combustible Materials, 1969 edition. Cost: \$39.00.

(e) National Fire Protection Association NFPA 86A-1969 Standard for Ovens and Furnaces, 1969 edition. Cost: \$66.00.

(f) National Fire Protection Association NFPA 91-1961 Standard for Blower and Exhaust Systems for Vapor Removal, 1961 edition. Cost: \$33.00.

R 408.17603 Definitions; S, V. Rescinded.

—Rule 7603. (1) “Spray area” means any area in which dangerous quantities of flammable or combustible vapors, mists, residues, dusts, or deposits are present due to the operation of spray processes. A spray area includes all of the following areas:

—(a) The interior of spray booths and rooms, except as specifically provided for in R 408.17613(4).

—(b) The interior of ducts exhausting from spraying processes.

—(c) Any area in the direct path of spraying operations.

—(2) “Spray booth” means a power ventilated structure provided to enclose or accommodate a spraying operation to confine and limit the escape of spray, vapor, and residue, and to safely conduct or direct them to an exhaust system.

—(3) “Spray finishing operations” means the employment of methods wherein organic or inorganic materials are utilized in dispersed form for deposit on surfaces to be coated, treated, or cleaned. Such methods of deposit may involve either automatic, manual, or electrostatic deposition, but do not include metal spraying or metallizing, dipping, flow coating, roller coating, tumbling, centrifuging, or spray washing and degreasing as conducted in self-contained washing and degreasing machines or systems.

—(4) “Spray room” means a room in which spray finishing operations which are not conducted in a spray booth are performed separately from other areas.

—(5) “Vapor area” means any area containing flammable vapor concentrations exceeding 25% of the lower explosive limit (LEL) in the vicinity of dipping and coating processes, drainboards or associated drying, conveying, or other equipment, during operation or shutdown periods.

~~R 408.17605 Employer responsibilities.~~ Rescinded.

~~—Rule 7605. (1) An employer shall provide training to each assigned employee regarding the operation, maintenance, hazards, and safeguards of the job covered by this part.~~

~~—(2) An employer shall not knowingly authorize a process, machine, or equipment to be used which does not meet applicable state safety standards.~~

~~—(3) An employer shall provide, to each employee, the personal protective equipment required by the job as prescribed in Part 33. Personal Protective Equipment, being R 408.13301 et seq. of the Michigan Administrative Code.~~

~~R 408.17607 Employee responsibilities.~~ Rescinded.

~~—Rule 7607. (1) An employee shall not operate a machine or equipment until trained in the operating procedures, hazards, and safeguards. The employee shall not operate a machine or equipment until assigned to do so by the employer.~~

~~—(2) An employee shall report to his or her supervisor any recognized hazards.~~

~~—(3) An employee shall use required personal protective equipment or devices as prescribed in this part or a specific standard.~~

~~—(4) An employee shall not remove a guard or other safety device, except for authorized servicing purposes. If a guard or other safety device is removed, it shall be replaced or equivalent guarding shall be provided before the machine or equipment is returned to normal operation.~~

~~R 408.17609 “No smoking” signs; posting, smoking restriction area.~~ Rescinded.

~~—Rule 7609. Smoking shall be prohibited and “No smoking” signs in large letters on contrasting color backgrounds shall be conspicuously posted in the vicinity of all of the following areas:~~

~~—(a) Dip tanks and spraying areas.~~

~~—(b) Flammable and combustible liquid storage and mix rooms.~~

~~—(c) Powder coating areas.~~

~~—(d) Powder storage rooms.~~

~~—(e) Any area where organic peroxides are stored, mixed, or applied.~~

~~The no smoking restriction shall extend 20 feet (6 m) from the area unless separated by a noncombustible, vapor-tight partition.~~

~~R 408.17610 Spraying areas; maintenance; use of spray booths; spray rooms used for production spray finishing operations.~~ Rescinded.

~~—Rule 7610. (1) Spraying shall not be conducted outside of designated spraying areas.~~

~~—(2) All spraying areas shall be maintained so that the accumulation of deposits of combustible residues does not create a hazard. Scrapers, spuds, or other tools that are used for cleaning purposes shall be made of nonsparking material.~~

~~—(3) After cleaning, residue scrapings and debris contaminated with residue shall be immediately removed from the premises and properly disposed of. Approved metal waste cans shall be provided when rags or waste is impregnated with finishing material and all such rags or waste shall be deposited in the waste cans immediately after use. The contents of waste cans shall be properly disposed of at least once daily or at the end of each shift.~~

~~—(4) The clothing of spray finishing employees shall not be left on the premises more than 24 hours, unless the clothing is kept in metal lockers.~~

~~—(5) The use of solvents for cleaning operations shall be restricted to solvents that have flash points of not less than 100 degrees Fahrenheit; however, for cleaning spray nozzles and auxiliary equipment, solvents that have flash points which are not less than the flash points of solvents that are normally used in spray operations may be used. Such cleaning shall be conducted inside spray booths and ventilating equipment that is operated during cleaning.~~

- (6) Spray booths shall not be alternately used for different types of coating materials if the combination of the materials might be conducive to spontaneous ignition, unless all deposits of the first material that is used are removed from the booth and exhaust ducts before spraying with the second material that is used.
- (7) Spray rooms that are used for production spray finishing operations shall conform to the requirements for spray booths.

~~R 408.17612 Spray booths.~~ Rescinded.

- Rule 7612. (1) The floor surface of a spray booth and operator's working area, if combustible, shall be covered with a noncombustible material that facilitates the safe cleaning and removal of residues.
- (2) In conventional dry-type spray booths, overspray dry filters or filter rolls, if installed, shall conform to all of the following provisions:
 - (a) All discarded filter pads and filter rolls shall be immediately removed to a safe, well-detached location or placed in a water-filled metal container and disposed of at the close of the day's operation, unless such filter pads and rolls are maintained completely in water.
 - (b) Space within the spray booth on the downstream and upstream sides of filters shall be protected with approved automatic sprinklers.
 - (c) Filters or filter rolls shall not be used when applying a spray material that is known to be highly susceptible to spontaneous heating and ignition.
 - (d) Clean filters or filter rolls shall be noncombustible or of a type that has a combustibility factor that is not more than the combustibility factor of class 2 filters as listed by underwriters laboratories, inc. Filters and filter rolls shall not be alternately used for different types of coating materials if the combination of materials might be conducive to spontaneous ignition. See R 408.17610.
- (3) Each spray booth shall be separated from other operations by not less than 3 feet or by partitions or walls so as to reduce the danger from the juxtaposition of hazardous operations. See R 408.17650(1).
- (4) Spray booths shall be installed so that all portions are readily accessible for cleaning. A clear space of not less than 3 feet on all sides shall be kept free from storage of combustible material.
- (5) When spraying areas are illuminated through glass panels or other transparent materials, only fixed lighting units shall be used as a source of illumination. Panels shall effectively isolate the spraying area from the area in which the lighting unit is located. Panels shall be made of a noncombustible material which, because of the nature of the material or the manner in which the material is protected, makes breakage unlikely. Panels shall be arranged so that normal accumulations of residue on the exposed surface of the panel will not be raised to a dangerous temperature by radiation or conduction from the source of illumination.
- (6) Ventilation systems to remove flammable vapors and confine overspray residue to the spray area shall be provided and used. The spraying operations shall be designed, installed, and maintained so that the average air velocity over the open face of the booth (or booth cross section during spraying operations) shall be not less than 100 linear feet (30.48 meters) per minute.

~~R 408.17613 Drying, curing, or fusion apparatus.~~ Rescinded.

- Rule 7613. (1) Drying, curing, or fusion apparatus in connection with spray application of flammable and combustible finishes shall conform to the applicable provisions of the publication entitled "Standard for Ovens and Furnaces," NFPA 86-A-1977, as adopted by reference in R 408.17699(1), and shall also conform to all of the requirements of this rule.
- (2) Spray booths, rooms, or other enclosures used for spraying operations shall not alternately be used for the purpose of drying by any arrangement which will cause a material increase in the surface temperature of the spray booth, room, or enclosure.
- (3) Except as specifically provided in subrule (4) of this rule, drying, curing, or fusion units utilizing a heating system having open flames or which might produce sparks shall not be installed in a spraying

area, but may be installed adjacent thereto when equipped with an interlocked ventilating system arranged to do all of the following:

- (a) Provide a minimum of 4 complete air changes to thoroughly purge the drying space before the heating system can be started.
- (b) Maintain a safe atmosphere at any source of ignition.
- (c) Automatically shut down the heating system if the ventilating system fails.
- (4) Automobile refinishing spray booths or enclosures, otherwise installed and maintained in full conformity with this rule, may alternately be used for drying when all of the following provisions are complied with:
 - (a) Interior, especially floors, of spray enclosures shall be kept free of overspray deposits, in accordance with R 408.17610(2).
 - (b) During spray operations, the drying apparatus and electrical connections and wiring thereto shall not be located within the spray enclosure or in any other location where spray residues might be deposited thereon.
 - (c) The spraying apparatus, the drying apparatus, and the ventilating system of the spray enclosure shall be equipped with suitable interlocks arranged so that all of the following provisions are complied with:
 - (i) The spraying apparatus cannot be operated while the drying apparatus is inside the spray enclosure.
 - (ii) The spray enclosure shall be purged of spray vapors for a period of not less than 4 complete air changes before the drying apparatus can be energized.
 - (iii) The ventilating system will maintain a safe atmosphere within the enclosure during the drying process and the drying apparatus will automatically shut off if the ventilating system fails.
 - (d) All electrical wiring and equipment of the drying apparatus shall conform to the applicable sections of the general industry standards 1910.308, Application, and 1910.309, Electrical. See R 408.17699(2). Only equipment of a type approved for class I, division 2 hazardous locations shall be located within 18 inches of the floor level. All metallic parts of the drying apparatus shall be properly electrically bonded and grounded.
 - (e) The drying apparatus shall contain a prominently located, permanently attached warning sign indicating that ventilation shall be maintained during the drying period and that spraying shall not be conducted in the vicinity that spray will deposit on said apparatus.

~~R 408.17614 Automobile undercoating.~~ Rescinded.

—Rule 7614. Automobile undercoating spray operations conducted in areas having natural or mechanical ventilation adequate to comply with the division of occupational health requirements are exempt from the requirements pertaining to spray finishing operations when using undercoating materials which are not more hazardous than kerosene, as listed by underwriters laboratories inc. with respect to fire hazard rating 30-40, or undercoating materials using only solvents listed as having a flash point in excess of 100 degrees Fahrenheit. Undercoating spray operations which do not conform to O.H. rule 3235(6)(p) of the division of occupational health requirements are subject to all provisions of this rule pertaining to spray finishing operations.

~~R 408.17615 Powder coating.~~ Rescinded.

—Rule 7615. (1) Where powder coating is applied, electrical equipment and other sources of ignition shall conform to the requirements of R 408.17650(1), (8), and (9) of this part and general industry standards 1910.308, application, and 1910.309, electrical. See R 408.17699(2).

—(2) The provisions of R 408.17630 and subrules (3) to (9) of this rule shall apply to fixed electrostatic equipment, except that electrical equipment that is not regulated in the provisions of R 408.17630 or subrules (3) to (9) of this rule shall conform to the provisions of subrule (1) of this rule.

- ~~—(3) The provisions of R 408.17633 and this rule shall apply to electrostatic handguns when used in powder coating, except that electrical equipment that is not covered in the provisions of R 408.17633 or this rule shall conform to the provisions of subrule (1) of this rule.~~
- ~~—(4) Electrostatic fluidized beds and associated equipment shall be approved types of beds and associated equipment. The maximum surface temperature of the beds and associated equipment in the coating area shall not be more than 150 degrees Fahrenheit. The high voltage circuits shall be designed so as to not produce a spark of sufficient intensity to ignite any powder-air mixtures or result in a shock hazard upon coming in contact with a grounded object under normal operating conditions.~~
- ~~—(5) Transformers, high voltage supplies, control apparatus, and all other electrical portions of the equipment, with the exception of the charging electrodes and their connections to the power supply, shall be located outside of the powder coating area or shall otherwise conform to the requirements of subrule (1) of this rule.~~
- ~~—(6) All electrically conductive objects within the charging influence of the electrodes shall be adequately grounded. The power coating equipment shall carry a prominent, permanently installed warning regarding the necessity for grounding these objects.~~
- ~~—(7) Objects that are being coated shall be maintained in contact with the conveyor or other support to insure proper grounding. Hangers shall be regularly cleaned to insure effective contact and areas of contact shall be sharp points of knife edges where possible.~~
- ~~—(8) Conveyors, solenoids, powerpacks, and electrical equipment shall be interlocked with the exhaust or recirculating air ventilation system, or both, so that the equipment cannot be operated unless the ventilation fans are in operation.~~
- ~~—(9) All of the following shall be designed to withstand an internal dust explosion or be provided with explosion relief that is vented to the outside atmosphere:~~
 - ~~—(a) Powder coating operations.~~
 - ~~—(b) Powder supply hoppers.~~
 - ~~—(c) Recirculating systems.~~
 - ~~—(d) Dust collectors.~~
 - ~~—(e) Exhaust systems.~~
 - ~~—(f) Related duct work.~~
- ~~—(10) Electrostatic spraying operations shall be conducted with an air velocity over the open face of the booth of not less than 60 linear feet (18.2880 meters) per minute. More air velocity may be required depending upon the volume of the finishing material being applied and its flammability and explosion characteristics.~~
- ~~—(11) Visible gauges or audible alarm or pressure-activated gauges shall be installed to indicate or insure that the required air velocity is maintained.~~
- ~~—(12) Filter rolls shall be inspected to insure the replacement of filter media.~~

~~R 408.17616 Organic peroxides and dual component coatings.~~ Rescinded.

~~—Rule 7616. All spraying operations involving the use of organic peroxides and other dual component coatings shall be conducted in approved sprinklered spray booths meeting the requirements of this part.~~

~~R 408.17618 Maintenance of areas of operations using powder coating, organic peroxides, and dual component coatings; use of nonsparking tools.~~ Rescinded.

~~—Rule 7618. (1) All areas of operation using powder coating shall be kept free of the accumulations of powder coating dusts, particularly such horizontal surfaces as ledges, beams, pipes, hoods, booths, and floors.~~

—(2) Surfaces in areas of operations using powder coating, organic peroxides, and dual component coatings shall be cleaned in a manner which avoids scattering dust to other places or creating dust clouds.

—(3) Only nonsparking tools shall be used in any area where organic peroxides, powder coating, or dual component materials are stored, mixed, or applied.

R 408.17620 – Construction of dip tanks. Rescinded.

—Rule 7620. (1) Dip tanks, including drainboards if provided, shall be constructed of noncombustible material and their supports shall be made of heavy metal, reinforced concrete, or masonry. Where dip tanks extend through a floor to the story below or where the weakening of the tank supports by fire might result in the tank collapsing, supports shall be made of material having no less than 1-hour fire resistance rating.

—(2) Dip tanks of over 150 gallons in capacity or 10 square feet in liquid surface area shall be equipped with trapped overflow pipes which prevent passage of vapors and which lead to a safe location outside buildings. Smaller dip tanks shall also be so equipped, where practical. The discharge of the overflow pipe shall be located and arranged so that if the entire combustible contents of the dip tank are overflowed through overflow pipe by the application of water during fire fighting, property will not be endangered. The size of the overflow pipe shall be sufficient to conduct the maximum rate of flow of water expected to be applied to the liquid surface of the dip tank from automatic sprinklers or from other sources in the event of fire.

—(3) Overflow pipes shall be of sufficient capacity to overflow the maximum delivery of dip tank liquid fill pipes, but shall not be less than 3 inches in diameter and shall be increased in size depending upon the area of the liquid surface and the length and pitch of the pipe. Overflow connections may be omitted if the liquid has a flash point above 200 degrees Fahrenheit (93 degrees Celsius) or if the tanks are equipped with automatic closing covers or a fixed fire extinguishing system, other than water, as prescribed in Part 9. Fixed Fire Equipment, being R 408.10901 et seq. of the Michigan Administrative Code.

—(4) Piping connections on drains and overflow lines shall be designed so as to permit ready access for inspection and cleaning of the interior.

—(5) The bottom of the overflow connections shall be not less than 6 inches below the top of the tank. See subrule (11) of this rule and R 408.17637(4)(b).

—(6) Dip tanks over 500 gallons in liquid capacity shall be equipped with combination automatic/manual bottom drains to quickly drain the tank in the event of fire, unless the viscosity of the liquid at normal atmospheric temperature makes this impractical. Manual operation shall be from a safely accessible location. Where gravity flow is not practicable, automatic pumps shall be required.

—(7) Such drain shall be trapped and discharged to a closed properly vented salvage tank or to a safe location outside which will not endanger property.

—(8) According to tank capacity, the diameter of bottom drainpipe shall be not less than the following:

Gallons	Inches
500 to 750	3
751 to 1,000	4
1,001 to 2,500	5
2,501 to 4,000	6
Over 4,000	8

—(9) The capacity of the salvage tank shall be greater than the capacity of the dip tank or tanks to which they are connected.

- ~~—(10) Except as noted in R 408.17622(5), all dip tanks exceeding 150 gallons of liquid capacity or having liquid surface area of more than 10 square feet shall be protected with at least 1 of the automatic extinguishing facilities conforming to R 408.17637(3), (4), (5), (6), or (7).~~
- ~~—(11) Dip tanks utilizing a conveyor system shall be so arranged that in the event of fire, the conveyor system shall automatically cease motion and required bottom drains shall open. Conveyor systems shall automatically cease motion unless required ventilation is in full operation.~~
- ~~—(12) Ventilation shall be provided to confine flammable vapor concentrations exceeding 25% of the lower explosive limit to within 5 feet (1.5m) of the dip tank, drainboard, and freshly coated work.~~
- ~~—(13) When dip tank liquids are artificially heated, either by the dipping of heated articles, or by other application of heat to the liquid, provision shall be made to prevent a temperature rise of more than 50 degrees Fahrenheit below the flashpoint of the liquid. See R 408.17622(3) and (4).~~

~~R 408.17621 Operations and maintenance.~~ Rescinded.

- ~~—Rule 7621. (1) Areas in the vicinity of dip tanks shall be kept as clear of combustible stock as practical and shall be kept entirely free of combustible debris.~~
- ~~—(2) When waste or rags are used in connection with dipping operations, approved metal waste cans shall be provided and all impregnated rags or waste shall be deposited therein immediately after use. The contents of waste cans shall be properly disposed of at least once daily at the end of each shift.~~
- ~~—(3) A quarterly visual inspection or test of all dip tank facilities shall be made, including all of the following:~~
 - ~~—(a) Covers.~~
 - ~~—(b) Overflow pipe inlets and discharge.~~
 - ~~—(c) Bottom drains and valves.~~
 - ~~—(d) Electrical wiring and equipment and grounding connections.~~
 - ~~—(e) Ventilating facilities. Any defects found shall be promptly corrected.~~
- ~~—(4) All fixed fire extinguishing systems shall be inspected and tested as prescribed in general industry safety standard, Part 9. Fixed Fire Equipment, being R 408.10901 et seq. of the Michigan Administrative Code.~~
- ~~—(5) Floors and platforms around tanks shall be prevented from becoming slippery both by original type of construction and by frequent flushing. The floors and platforms shall be firm, sound, and of a design and construction to minimize the possibility of tripping.~~
- ~~—(6) When a required ventilating system serves associated drying operations utilizing a heating system which might be a source of ignition, means shall be provided for prevention of not less than 4 complete air changes before the heating system can be started, the failure of any ventilating fan shall automatically shut down the heating system, and the installation shall otherwise conform to the provisions of the publication entitled “Standard for Ovens and Furnaces,” NFPA 86A-1977, as adopted by reference in R 408.17699(1).~~

~~R 408.17622 Hardening and tempering tanks.~~ Rescinded.

- ~~—Rule 7622. (1) Hardening and tempering tanks shall be located as far as practicable from furnaces and shall not be located on or near combustible floors.~~
- ~~—(2) Tanks shall be provided with a noncombustible hood and vent or other equally effective means of venting to the outside of the building to serve as a vent in case of fire. All such vent ducts shall be treated as flues and be kept well away from combustible roofs or materials.~~
- ~~—(3) Tanks shall be designed so that the maximum work load is incapable of raising the temperature of the cooling medium to within 50 degrees below its flash point, or such tanks shall be equipped with circulating cooling systems which will accomplish the same result.~~

- ~~—(4) Tanks shall be equipped with a high temperature limit switch arranged to sound an alarm when the temperature of the quenching medium reaches within 50 degrees Fahrenheit below the flash point. Such limit switches shall also shut down conveying equipment supplying work to the tanks, unless a greater safety hazard is created.~~
- ~~—(5) The provisions of R 408.17620(10) shall apply to tanks having a liquid surface area of 25 square feet or more or a capacity of 500 gallons or more.~~
- ~~—(6) Air under pressure shall not be used to fill or agitate oil tanks; however, pneumatically operated impellers are permitted.~~
- ~~—(7) Drain facilities from the bottom of the tank may be combined with the oil circulating system or arranged independently to drain the oil to a safe location. The drain valve shall be operated automatically with approved heat-actuated devices or manually and, if operated manually, the valve shall be operated from a safe distance. An automatic drain valve shall not be provided on a internal quench tank with a controlled atmosphere where the oil provides a seal to atmosphere.~~

~~R 408.17623 Flow coat operations; general.~~ Rescinded.

- ~~—Rule 7623. (1) Except as provided in this rule, all of the preceding rules for dip tanks apply to flow coat operations.~~
- ~~—(2) All piping shall be strongly erected and rigidly supported.~~
- ~~—(3) Paint shall be supplied by direct low pressure pumping arranged to automatically shut down by means of approved heat-actuated devices in the case of fire or paint may be supplied by a gravity tank not exceeding 10 gallons in capacity.~~
- ~~—(4) The area of the sump and any areas on which paint flows are considered the areas of dip tank.~~

~~R 408.17624 Roll coating.~~ Rescinded.

- ~~—Rule 7624. (1) The process of roll coating, spreading, and impregnating in which fabrics, paper, or other materials are passed directly through a tank or trough containing flammable or combustible liquids or over the surface of a roller that revolves partially submerged in a flammable or combustible liquid with a flash point below 140 degrees Fahrenheit (60 degrees Celsius) shall conform to the applicable requirements of R 408.17637, R 408.17641, and R 408.17651.~~
- ~~—(2) Adequate arrangements shall be made to prevent sparks from static electricity by electrically bonding and grounding all metallic rotating and other parts of machinery and equipment and by installing static collectors where the material leaves a rotating part or maintaining a conductive atmosphere such as a high relative humidity.~~

~~R 408.17630 Electrostatic apparatus; installation and use.~~ Rescinded.

- ~~—Rule 7630. (1) The installation and use of electrostatic spraying equipment and electrostatic detearing equipment shall conform to the requirements of these rules.~~
- ~~—(2) Electrostatic apparatus and devices used in connection with coating operations or paint detearing operations shall be of the approved types.~~
- ~~—(3) Electrostatic apparatus shall be equipped with automatic controls which will operate without time delay to disconnect the power supply to the high voltage transformer and to signal the operator under any of the following conditions:~~
 - ~~—(a) Stoppage of the exhaust ventilating system from any cause.~~
 - ~~—(b) Stoppage of the conveyor carrying goods through the high voltage field, unless stoppage is required by the spray process.~~
 - ~~—(c) Occurrence of a ground or excessive current leakage at any point on the high voltage system.~~
 - ~~—(d) Reduction of clearance below that specified in R 408.17631(4) and R 408.17632(4).~~

~~R 408.17631 Fixed electrostatic apparatus used in spray finishing operations.~~ Rescinded.

~~—Rule 7631. (1) Transformers, high voltage supply, control apparatus, and all other electrical portions of the equipment used in spray finishing operations, with the exception of high voltage grids, electrodes, and electrostatic atomizing heads and their connections shall be located outside of the spraying area or shall otherwise conform to the requirements of R 408.17650(4), (5), and (6).~~

~~—(2) Electrodes and electrostatic atomizing heads shall be adequately supported in permanent locations and shall be effectively insulated from the ground. Electrodes and electrostatic atomizing heads which are permanently attached to their bases, supports, or reciprocators shall be deemed to comply with this rule. Insulators shall be nonporous and noncombustible.~~

~~—(3) High voltage leads to electrodes shall be properly insulated and protected from mechanical injury or exposure to destructive chemicals. Electrostatic atomizing heads or any exposed element at high voltage shall be effectively guarded against accidental contact or grounding. An automatic means shall be provided for grounding the electrode system when it is electrically de-energized for any reason. All insulators shall be kept clean and dry.~~

~~—(4) A safe distance of not less than twice the sparking distance shall be maintained between goods being painted and electrodes or electrostatic atomizing heads or conductors. A suitable sign indicating this safe distance shall be conspicuously posted near the assembly.~~

~~—(5) Goods being painted using this process are to be automatically conveyed. The conveying devices shall be arranged so as to maintain safe distance between the goods and the electrodes or electrostatic atomizing heads at all times. Any irregularly shaped or other goods subject to possible swinging or movement shall be supported to prevent swinging or movement which would reduce the clearance to less than that specified in subrule (4) of this rule.~~

~~—(6) Booths, fencing, railings, or guards shall be placed about the equipment so that they, by their location or character or both, assure that a safe isolation of the process is maintained from plant storage or employees. Such railings, fencing, and guards shall be made of conducting material and shall be adequately grounded. Where automatic equipment is used, interlocked entry doors or gates shall be provided which shut down the operation. Where moving line arrangements would preclude this level of protection, such as at entrances and exits to the line access, warning signs shall be posted indicating the potential hazard of these areas.~~

~~—(7) When finishing materials are applied by electrostatic hand spraying equipment which is manipulated by hand, R 408.17633 is applicable.~~

~~R 408.17632 Electrostatic apparatus used in dip tank operations.~~ Rescinded.

~~—Rule 7632. (1) Transformers, high voltage supplies, control apparatus, and all other electrical portions of the equipment used in dip tank operations, with the exception of high voltage grids and their connections, shall be located outside the vapor area or shall conform to the requirements of R 408.17651.~~

~~—(2) Electrodes shall be of substantial construction, shall be rigidly supported in permanent locations, and shall be effectively insulated from ground. Insulators shall be nonporous and noncombustible.~~

~~—(3) High voltage leads to electrodes shall be effectively and permanently supported on suitable insulators and shall be effectively guarded against accidental contact or grounding. An automatic means shall be provided for grounding and discharging any accumulated residual charge on the electrode assembly or the secondary circuit of the high voltage transformer when the transformer primary is disconnected from the source of supply.~~

~~—(4) A space of not less than twice the sparking distance shall be maintained between goods being deteared and electrodes or conductors. A sign stating the sparking distance shall be conspicuously posted near the assembly.~~

- ~~—(5) Goods being deteared using this electrostatic process are to be automatically conveyed. The conveying devices shall be arranged so as to maintain a safe distance between the goods and the electrodes at all times. All goods shall be supported so as to prevent any swinging or movement which would reduce the clearance to less than specified in subrule (4) of this rule.~~
- ~~—(6) This electrostatic process shall not be performed where goods being deteared are manipulated by hand.~~
- ~~—(7) Adequate fencing, railings, or guards shall be placed about the equipment involving electrostatic apparatus so that they, by their location or character or both, assure that a safe isolation of the process is maintained from plant storage or employees. Such railings, fencing, and guards shall be made of conducting material, shall be adequately grounded, and shall be not less than 5 feet from the processing equipment.~~
- ~~—(8) Electrode insulators shall be kept clean and dry.~~
- ~~—(9) The detearing area shall be ventilated by exhausting adequate air from the area as specified in R 408.17621(6).~~
- ~~—(10) All areas for detearing shall be protected by automatic sprinklers in accordance with the applicable provisions of Part 9. Fixed Fire Equipment, being R 408.10919 to R 408.10926, where this protection is available. Where this protection is not available, other approved automatic extinguishing equipment shall be provided.~~
- ~~—(11) Drip plates and screens subject to paint deposits shall be removable and shall be taken to a safe place for cleaning.~~

~~R 408.17633 Electrostatic hand spraying equipment and devices used in coating operations.~~
~~Rescinded.~~

- ~~—Rule 7633. (1) Electrostatic hand spraying apparatus and devices used in connection with coating operations in which the atomizing device is hand held and manipulated during the spraying operation shall be of approved types.~~
- ~~—(2) The equipment shall be designed so that the maximum surface temperature of the equipment in the spraying area shall not exceed 150 degrees Fahrenheit under any condition.~~
- ~~—(3) The high voltage circuits shall be designed so as to not produce a spark of sufficient intensity to ignite any vapor air mixtures or powder air mixtures or result in a shock hazard upon coming in contact with a grounded object under all normal operating conditions.~~
- ~~—(4) The electrostatically charged exposed elements of the handgun shall be capable of being energized only with a switch or an actuator, or both, which also controls the coating material supply.~~
- ~~—(5) Transformers, high voltage supplies, control apparatus, and all other electrical portions of the equipment, with the exceptions of the handgun itself and its connections to the power supply, shall be located outside of the spraying area or shall otherwise conform to the requirements of R 408.17650(4), (5), and (6).~~
- ~~—(6) The handle of the spraying gun shall be electrically connected to ground by metallic connection and be constructed so that the operator in the normal operating position is in intimate electrical contact with the ground handle.~~
- ~~—(7) All electrically conductive objects in the spraying area shall be properly grounded. This requirement shall apply to paint containers, wash cans, and any other electrically conductive objects or devices in the area. The equipment shall carry a prominent, permanently installed warning regarding the necessity for this grounding feature.~~
- ~~—(8) Objects being painted or coated shall be maintained in metallic contact with the conveyor or other grounded support. Hooks shall be regularly cleaned to insure this contact and areas of contact shall be sharp points or knife edges where possible. Points of support of the object shall be concealed from~~

random spray where feasible. If the objects being sprayed are supported from a conveyor, the point of attachment to the conveyor shall be located so as to not collect spray material during normal operation.

—(9) The electrical equipment shall be so interlocked with the ventilation of the spraying area that the equipment cannot be operated unless the ventilation fans are in operation.

R 408.17636 Spray finishing. Rescinded.

—Rule 7636. (1) All areas used for spraying, including the interior of the booth, shall be protected by automatic sprinklers where this protection is available. Where this protection is not available, other approved automatic extinguishing equipment shall be provided as prescribed in Part 9. Fixed Fire Equipment, being R 408.10901 et seq. of the Michigan Administrative Code.

—(2) In sprinklered buildings, the automatic sprinkler system in rooms containing spray finishing operations shall conform to the provisions for high hazard occupancy of Part 9. Fixed Fire Equipment, being R 408.10901 et seq., and in unsprinklered buildings where sprinklers are installed only to protect spraying areas, the sprinkler installation shall conform to the provisions of this rule.

—(3) Sprinkler heads shall be located to effect water distribution throughout the entire booth.

—(4) Automatic sprinklers protecting each spray booth, together with its connecting exhaust, shall be under an outside stem and yoke (OS&Y) subcontrol valve located outside of the spray booth.

—(5) Sprinklers protecting spraying areas shall be kept free from coating material deposits. The use of polyethylene or cellophane bags having a thickness of .003 inches or less or thin paper bags is acceptable. Coverings shall be replaced or the heads cleaned frequently.

—(6) Portable fire extinguishers shall be installed near all spraying areas.

R 408.17637 Dip tanks. Rescinded.

—Rule 7637. (1) Except as noted in R 408.17622(5), all dip tanks exceeding 150 gallons liquid capacity or having a liquid surface area exceeding 10 square feet shall be protected with at least 1 of the automatic extinguishing facilities conforming to subrules (3), (4), (5), (6), and (7) of this rule.

—(2) Areas in the vicinity of dip tanks shall be provided with fire extinguishers which are suitable for flammable and combustible liquid fires and which conform to general industry safety standard Part 8. Portable Fire Extinguishers, being R 408.10801 et seq. See R 408.17699(5).

—(3) An automatic water spray extinguishing system shall conform to general industry safety standard Part 9. Fixed Fire Equipment, being R 408.10901 et seq., and shall be arranged to protect tanks, drainboards, and stock over drainboards. See R 408.17699(4).

—(4) An automatic foam extinguishing system shall conform to general industry safety standard Part 9. Fixed Fire Equipment, being R 408.10901 et seq., and shall have the foam producing material selected to be suitable for intended use, taking into account characteristics of the dip tank liquid; and shall have the overflow pipe arranged to prevent the floating away of foam and clogging the overflow pipe, which may be accomplished by either of the following:

—(a) Overflow pipe may be extended through the tank wall and terminated in an ell pointing downward. The bottom of the overflow pipe at the point it pierces the tank wall shall not be more than 2 inches above the opening or face of the ell.

—(b) Overflow pipe inlet may be provided with a removable screen of 1/4 inch mesh having an area which is not less than twice the crosssectional area of overflow pipe. Screens which might be clogged by dip tank ingredients shall be inspected and cleaned periodically.

—(5) Automatic carbon dioxide systems shall conform to general industry safety standard Part 9. Fixed Fire Equipment, being R 408.10901 et seq., and shall be arranged to protect both dip tanks and drainboards, and, unless stock over drainboards is otherwise protected with automatic extinguishing facilities, shall also be arranged to protect such stock. See R 408.17699(4).

- ~~—(6) Dry chemical extinguishing system shall conform to general industry safety standard Part 9, Fixed Fire Equipment, being R 408.10901 et seq., and shall be arranged to protect both dip tanks and drainboards, and, unless stock over drainboards is otherwise protected with automatic extinguishing facilities, shall also be arranged to protect such stock. See R 408.17699(4).~~
- ~~—(7) A dip tank cover provided for fire protection shall comply with all of the following provisions:~~
- ~~—(a) Be arranged to close automatically in the event of fire, be actuated by approved automatic devices, and be arranged for manual operations.~~
- ~~—(b) Be of substantial noncombustible material or of tin-clad type material with enclosing metal applied with locked joints.~~
- ~~—(c) Be kept closed when tanks are not in use.~~
- ~~—(8) Chains or wire rope shall be used for the cover support or the operating mechanism where the burning of a cord would interfere with the action of a device.~~
- ~~—(9) For areas of detearing, the requirements of R 408.17632(10) shall also apply.~~

~~R 408.17640 Flammable and combustible liquids.~~ Rescinded.

- ~~—Rule 7640. (1) The storage of flammable or combustible liquids shall conform to the requirements of 1910.106, Flammable and Combustible Liquids, where applicable. See R 408.17699(3).~~
- ~~—(2) A closed container, an approved portable tank, an approved safety can, or properly arranged system of piping shall be used for bringing flammable or combustible liquids into a spray finishing room. Open or glass containers shall not be used.~~
- ~~—(3) Except as provided in subrule (6) of this rule, the withdrawal of flammable and combustible liquids from containers having a capacity of more than 60 gallons shall be by approved pumps. The withdrawal of flammable or combustible liquids from containers and the filling of containers, including portable mixing tanks, shall be done only in a designated mixing room or in a spraying area when the ventilating system is in operation. Adequate precautions shall be taken to protect against liquid spillage and sources of ignition.~~
- ~~—(4) When flammable or combustible liquids are transferred from one container to another, both containers shall be effectively bonded and grounded to prevent discharge sparks of static electricity.~~
- ~~—(5) Containers supplying spray nozzles shall be of a closed type or provided with metal covers kept closed. Containers not resting on floors shall be on metal supports or suspended by wire cables. Containers supplying spray nozzles by gravity flow shall not exceed 10 gallons capacity. Original shipping containers shall not be subject to air pressure for supplying spray nozzles. Containers under air pressure supplying spray nozzles shall be of limited capacity, not exceeding that necessary for 1 day's operations; shall be designed and approved for such use; shall be provided with a visible pressure gauge; and shall be provided with a relief valve set to operate in conformance with the requirements of section VIII, entitled "Code for Unfired Pressure Vessels," of the publication entitled "ASME Boiler and Pressure Vessel Code—1983," as adopted by reference in R 408.17699(6). Containers under air pressure supplying spray nozzles, or stoppage tanks, and coolers shall conform to the standards of such code for construction, tests, and maintenance.~~
- ~~—(6) If flammable or combustible liquids are supplied to spray nozzles by positive displacement pumps, the pump discharge line shall be provided with an approved relief valve discharging to a pump section or a safe location or provided with a device to stop the prime mover if the discharge pressure exceeds the safe operating pressure of the system.~~
- ~~—(7) All containers or piping to which a hose or flexible connection is attached shall be provided with a shutoff valve at the connection. Such valves shall be kept shut when spraying operations are not being conducted, except where recirculated systems are employed and monitored.~~
- ~~—(8) When a pump is used to deliver products, automatic means shall be provided to prevent pressure in excess of the design working pressure of accessories, piping, and hose.~~

- (9) All pressure hose and couplings shall be inspected at regular intervals. The hose and couplings shall be tested with the hose extended and using the inservice maximum operating pressures. Any hose showing material deterioration, signs of leakage, or weakness in its carcass or at the couplings shall be withdrawn from service and repaired or discarded.
- (10) Piping systems conveying flammable or combustible liquids shall be made of steel or other material having comparable properties of resistance to heat and physical damage. Piping systems shall be properly bonded and grounded.
- (11) An emergency shutdown provision, to cut off the supply of liquid to an area involved in a fire shall be a part of all fixed pipe systems delivering flammable or combustible liquids to spray operations.

~~R 408.17641 Dipping operations; storage of flammable and combustible liquids; grounding and bonding of portable containers.~~ Rescinded.

- Rule 7641. (1) The storage of flammable and combustible liquids in connection with dipping operations shall conform to the requirements of section 1910.106, Flammable and Combustible Liquids, where applicable. See R 408.17699(3).
- (2) Where portable containers are used for the replenishment of flammable and combustible liquids, provision shall be made so that both the container and tank shall be positively grounded and electrically bonded to prevent static electric sparks.

~~R 408.17650 Electrical and other sources of ignition in spray finishing operations.~~ Rescinded.

- Rule 7650. (1) All electrical equipment, open flames, and other sources of ignition in spray finishing operations shall conform to the requirements of this rule, except as follows:
 - (a) Electrostatic apparatus shall conform to the requirements of R 408.17614, R 408.17618, R 408.17630, R 408.17631, and R 408.17633.
 - (b) Drying, curing, and fusion apparatus shall conform to the requirements of R 408.17613.
 - (c) Automobile undercoating spray operations shall conform to the requirements of R 408.17614.
 - (d) Powder coating equipment shall conform to the requirements of R 408.17615.
- (2) There shall be no open flame, spark producing equipment, or exposed surfaces in any spraying area or within 20 feet (6m) horizontally and 10 feet (3m) vertically thereof, unless separated by a noncombustible vapor tight partition.
- (3) Space heating appliances, steam pipes, or hot surfaces shall not be located in a spray area where deposits of combustible residues might readily accumulate.
- (4) Electrical wiring and equipment shall conform to the provisions of this rule and shall otherwise be in accordance with general industry standards 1910.308, Application, and 1910.309, Electrical. See R 408.17699(2).
- (5) Unless specifically approved for locations containing both deposits of readily ignitable residue and explosive vapors, there shall be no electrical equipment, in any spraying area, on which deposits of combustible residues might readily accumulate, except for wiring in rigid conduit or in boxes of fittings containing no taps, splices, or terminal connections.
- (6) Classification of hazardous areas shall be in accordance with NFPA standard 33-1982, entitled “Spray Application Using Flammable and Combustible Materials.” See R 408.17699(7).
- (7) Portable electric lamps shall not be used in any spraying area during spraying operations. Portable electric lamps, if used during cleaning or repairing operations, shall be of the type approved for hazardous class I locations.
- (8) All metal parts of spray booths, exhaust ducts, and piping systems conveying flammable or combustible liquids or aerated solids shall be properly electrically grounded in an effective and permanent manner.
- (9) Airless, high fluid pressure spray guns and any conductive object being sprayed shall be properly electrically grounded.

~~R 408.17651 Electrical and other sources of ignition in dip tank operations.~~ Rescinded.

~~—Rule 7651. (1) In dip tank operations, there shall be no open flames, spark producing devices, or heated surfaces having a temperature sufficient to ignite vapors in any vapor area.~~

~~—(2) Except as specifically permitted in R 408.17630 and R 408.17632, related to electrostatic apparatus, electrical wiring and equipment in any vapor area shall be of an explosion-proof type according to the requirements of general industry standards 1910.308, Application, and general industry standards 1910.309, Electrical, for class I, group D locations, and shall otherwise conform to general industry standards 1910.308 and 1910.309. See R 408.17699(2).~~

~~—(3) Classification of hazardous areas shall be in accordance with NFPA standard 34-1982, entitled “Dipping and Coating Processes Using Flammable or Combustible Liquids.” See R 408.17699(8).~~

~~—(4) In any floor space outside a vapor area, but within 20 feet there from, and not separated by noncombustible, vapor-tight partitions, there shall be no open flames or spark producing devices, except as specifically permitted in NFPA standard 86A-1977, entitled, “Ovens and Furnaces,” paragraph 200-7, as adopted by reference in R 408.17699(1), and electrical wiring and equipment shall conform to the provisions of general industry standards 1910.308, Application, and 1910.309, Electrical. See R 408.17699(2).~~

~~R 408.17696 Rescission of federal standards.~~ Rescinded.

~~—Rule 7696. On the effective date of these rules, general industry standards 1910.107 entitled “Spray Finishing Using Flammable and Combustible Materials,” and 1910.108 entitled “Dip Tanks Containing Flammable or Combustible Liquids,” which were incorporated by reference by section 14(1) of Act No. 154 of the Public Acts of 1974, as amended, being §408.1014(1) of the Michigan compiled Laws, are rescinded.~~

~~R 408.17699 Referenced standards; adopted standards.~~ Rescinded.

~~—Rule 7699. (1) The standard entitled “Ovens and Furnaces,” NFPA 86A-1977, is adopted herein by reference. Copies of NFPA 86A-1977 may be purchased at a cost of \$7.00 from the National Fire Protection Association, Batterymarch Park, Quincy, Massachusetts 02269.~~

~~—(2) General industry standards 1910.308, Application and 1910.309, Electrical, are federal standards which were incorporated by reference by section 14(1) of Act No. 154 of the Public Acts of 1974, as amended, being 408.1014(1) of the Michigan Compiled Laws.~~

~~—(3) General industry standard 1910.106 Flammable and Combustible Liquids is a federal standard which was incorporated by reference by section 14(1) of Act No. 154 of the Public Acts of 1974, as amended.~~

~~—(4) General industry safety standard Part 9. Fixed Fire Equipment, being R 408.10901 et seq. of the Michigan Administrative Code, was promulgated by the general industry safety standards commission in accordance with sections 16 and 21 of Act No. 154 of the Public Acts of 1974, as amended, being 408.1016 and 408.1021 of the Michigan Compiled Laws.~~

~~—(5) General industry safety standard Part 8. Portable Fire Extinguishers, being R 408.10801 et seq. of the Michigan Administrative Code, was promulgated by the general industry safety standards commission in accordance with sections 16 and 21 of Act No. 154 of the Public Acts of 1974, as amended.~~

~~—(6) Section VIII, entitled “Code for Unfired Pressure Vessels,” of the publication entitled “ASME Boiler and Pressure Vessel Code—1983,” is adopted herein by reference. Copies of section VIII of the ASME Boiler and Pressure Vessel Code, 1983, may be purchased at a cost of \$110.00 from the American Society of Mechanical Engineers, Standards Department, United Engineering Center, 345 East 47th Street, New York, New York 10017.~~

- ~~—(7) The standard entitled “Spray Application Using Flammable and Combustible Materials,” NFPA 33-1982, is adopted herein by reference. Copies of NFPA 33-1982 may be purchased at a cost of \$7.20 from the National Fire Protection Association, Batterymarch Park, Quincy, Massachusetts 02269.~~
- ~~—(8) The standard entitled “Dipping and Coating Processes Using Flammable or Combustible Liquids,” NFPA 34-1982, is adopted herein by reference. Copies of NFPA 34-1982 may be purchased at a cost of \$8.55 from the National Fire Protection Association, Batterymarch Park, Quincy, Massachusetts 02269.~~
- ~~—(9) The publications and general industry safety standards listed in subrules (1) to (8) of this rule may be inspected at, or purchased at the appropriate cost from, the Safety Standards Division, Bureau of Safety and Regulation, Michigan Department of Consumer and Industry Services, 7150 Harris Drive, Box 30643, Lansing, Michigan 48909.~~

PROPOSED ADMINISTRATIVE RULES

SOAHR 2006-066

DEPARTMENT OF LABOR AND ECONOMIC GROWTH

WORKERS' COMPENSATION APPELLATE COMMISSION

ADMINISTRATIVE APPELLATE PROCEDURES

Filed with the Secretary of State on

These rules become effective immediately upon filing with the Secretary of State unless adopted under sections 33, 44, or 45a(6) of 1969 PA 306. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

Draft March 16, 2007

(By authority conferred on the Workers' Compensation Appellate Commission by section 274 of 1969 PA 317, as amended, MCL 418.274 and Executive Reorganization Order No. 2003-1, MCL 445.2011)

R 418.2, R 418.4, R 418.6, and R 418.8 are amended as follows:

R 418.2 Filings generally.

Rule 2. (1) All pleadings, transcripts, briefs, and other documents necessary for an appeal shall be filed at the Lansing office of the commission. Each document shall be labeled with the claimant's social security number and a docket number, if assigned.

(2) Filing may be accomplished by hand delivery, by mailing, or by facsimile transmission followed by the original document. ~~All documents received after business hours shall be considered filed the next regular business day.~~ **A facsimile transmission is deemed to have been received on time if it is received by the commission not later than the last minute of the day of the applicable deadline, as provided in these rules under prevailing Michigan time.**

(3) **One attorney of record will be designated by the commission for each party, for the purpose of receiving correspondence from the commission. The attorney whose name appears on the claim for review will be designated as the attorney of record for that party. An attorney representing an appellee shall file an appearance designating the attorney as attorney of record. If no such appearance is filed, the attorney last appearing at a hearing before the magistrate, as reflected in the magistrate's order or opinion, will be designated as the attorney of record for that party. A party may change the attorney of record by filing a written stipulation with the commission and serving notice of the change on all parties, or by order of the commission on motion for such change.**

R 418.4 Cross appeals.

Rule 4. (1) A cross appeal shall be received by the commission not later than 30 days after the cross appellant has received a copy of the appellant's brief. The cross appellant shall provide all other parties with copies of the cross appeal. **There shall be a rebuttable presumption that "Receipt of**

appellant's brief" ~~shall be deemed to have occurred 5 days after the date of service/ mailing indicated in the proof of service filed by the appellant with the commission.~~

(2) A cross appeal shall not be filed before the cross appellant receives a copy of the appellant's brief.

(3) There shall **not** be ~~no~~ delayed cross appeals. An extension of time to file a reply brief does not extend the time to file a cross appeal.

(4) If the appellant's appeal is withdrawn or dismissed, the cross appeal is extinguished.

(5) A cross appeal shall be filed on the claim for review form specifically identifying that the party cross appeals the magistrate's decision.

R 418.6 Briefs; titles; filing.

Rule 6. (1) A brief shall be entitled "appellant's brief," "appellee's brief," "cross appellant's brief," or "cross appellee's brief" or shall be otherwise appropriately designated.

(2) An appellant's brief shall be filed with the commission not more than 30 days after a transcript is filed. Where there are multiple transcripts, the 30-day period begins to run when the last transcript is received by the commission.

(3) A cross appellant's brief shall be filed with the commission not more than 30 days after the cross appellant receives a copy of an appellant's brief.

(4) An appellee or a cross appellee need not file a brief; however, if the appellee **or cross appellee** wishes to file a brief, the appellee shall submit the brief to the commission within 30 days after the appellee receives a copy of the appellant's brief. If the cross appellee wishes to file a brief, the cross appellee shall submit a brief to the commission within 30 days after the cross appellee receives the cross appellant's brief. **There shall be a rebuttable presumption that "Receipt" of appellant's or cross appellant's all briefs** ~~filed pursuant to this subrule shall be deemed to have occurred 5 days after the date of service/ mailing indicated in the proof of service filed by the appellant, appellee, or cross appellant or cross appellee with the commission.~~

(5) A proof of service shall be filed with the commission with each brief and served upon all parties or their counsel.

R 418.8 Extensions of time to comply with rules.

Rule 8. (1) The commission may grant extensions of time to a party to comply with any of these rules for sufficient cause shown, except as otherwise provided in these rules.

(2) **An order will issue to "show cause" why an appeal should not be dismissed for failure to timely file a transcript or brief, in all cases except, where a motion for extension of time or a motion to dismiss, for the untimely filing has been filed.**

NOTICE OF PUBLIC HEARING

SOAHR 2006-066

DEPARTMENT OF LABOR AND ECONOMIC GROWTH
WORKERS' COMPENSATION APPELLATE COMMISSION

ADMINISTRATIVE APPELLATE PROCEDURES

Rule Set 2006-066

NOTICE OF PUBLIC HEARING

May 16, 2007

Department of Labor and Economic Growth
611 W. Ottawa Street
2nd Floor, Ottawa Building, Lansing, Michigan
Michigan Tax Tribunal Hearing Room 3 – 10:00 a.m.

The Department of Labor and Economic Growth, Workers' Compensation Appellate Commission will hold a public hearing on Wednesday, May 16, 2007, at the Department of Labor and Economic Growth, 611 W. Ottawa Street, 2nd Floor, Ottawa Building, Lansing, Michigan, Michigan Tax Tribunal Hearing Room 3, at 10:00 a.m. The hearing will be held to receive public comments on proposed rule changes: timelines of facsimile transmissions, attorney of record, receipt of cross appeals and show cause orders.

The proposed rules amend R 418.2, R 418.4, R 418.6, and R 418.8.

These rules are promulgated by authority conferred on the Workers' Compensation Appellate Commission by 274 of 1969 PA 317, as amended, and Executive Reorganization Order No. 2003-1. These rules will take effect immediately upon filing with the Secretary of State.

The rules [Rules 418.1-418.8 Administrative Appellate Procedure-Rules #2006-066] are published on the Michigan Government web site at <http://www.michigan.gov/orr> and in the April 15, 2007 issue of the *Michigan Register*. Comments may be submitted to the following address by 5:00 P.M. on May 16, 2007. Copies of the draft rules may also be obtained by mail or electronic transmission at the following address:

Department of Labor and Economic Growth
Workers' Compensation Appellate Commission
611 W. Ottawa St., 2nd Floor, Ottawa Bldg.
Lansing MI 48909

Phone: Rita Jenks at 517/241-2233, FAX: 517/241-1396, E-mail: jenksr@michigan.gov.

The hearing site is accessible, including handicapped parking. Individuals attending the meeting are requested to refrain from using heavily scented personal care products, in order to enhance accessibility for everyone. People with disabilities requiring additional accommodations such as information in alternative formats in order to participate in the hearing should contact Rita Jenks at least 14 working days before the hearing.

**ENROLLED SENATE AND HOUSE BILLS
SIGNED INTO LAW OR VETOED
(2007 SESSION)**

Mich. Const. Art. IV, §33 provides: “Every bill passed by the legislature shall be presented to the governor before it becomes law, and the governor shall have 14 days measured in hours and minutes from the time of presentation in which to consider it. If he approves, he shall within that time sign and file it with the secretary of state and it shall become law . . . If he does not approve, and the legislature has within that time finally adjourned the session at which the bill was passed, it shall not become law. If he disapproves . . . he shall return it within such 14-day period with his objections, to the house in which it originated.”

Mich. Const. Art. IV, §27, further provides: “No act shall take effect until the expiration of 90 days from the end of the session at which it was passed, but the legislature may give immediate effect to acts by a two-thirds vote of the members elected to and serving in each house.”

MCL 24.208 states in part:

“Sec. 8. (1) The State Office of Administrative Hearings and Rules shall publish the Michigan register at least once each month. The Michigan register shall contain all of the following:

* * *

(b) On a cumulative basis, the numbers and subject matter of the enrolled senate and house bills signed into law by the governor during the calendar year and the corresponding public act numbers.

(c) On a cumulative basis, the numbers and subject matter of the enrolled senate and house bills vetoed by the governor during the calendar year.”

**ENROLLED SENATE AND HOUSE BILLS
SIGNED INTO LAW OR VETOED
(2007 SESSION)**

Public Act No.	Enrolled House Bill	Enrolled Senate Bill	I.E.* Yes / No	Governor Approved Date	Filed Date	Effective Date	Subject
1		191	Yes	3/1	3/1	3/1/07	Occupations; accounting; qualifications for certified public accountants; revise, and provide certain changes to the peer review requirement. (Sen. R. Richardville)
2		184	Yes	3/19	3/19	3/19/07	State financing and management; budget; expenditure exceeding appropriation level; require notification. (Sen. R. Jelinek)
3		166	Yes	3/19	3/19	3/19/07	Appropriations; zero budget; supplemental appropriations; provide for certain fiscal years. (Sen. R. Jelinek)
4		014	Yes	3/22	3/22	3/22/07	Agriculture; other; loan repayment for sugar beet cooperatives; extend. (Sen. J. Barcia)
5		176	Yes	3/22	3/23	3/23/07	Health facilities; other; appropriated amount of quality assurance assessment collected; increase. (Sen. D. Cherry)

* - I.E. means Legislature voted to give the Act immediate effect.

** - Act takes effect on the 91st day after *sine die* adjournment of the Legislature.

*** - See Act for applicable effective date.

+ - Line item veto

- Tie bar

MICHIGAN ADMINISTRATIVE CODE TABLE
(2007 SESSION)

MCL 24.208 states in part:

“Sec. 8. (1) The State Office of Administrative Hearings and Rules shall publish the Michigan register at least once each month. The Michigan register shall contain all of the following:

* * *

(i) Other official information considered necessary or appropriate by the State Office of Administrative Hearings and Rules.”

The following table cites administrative rules promulgated during the year 2000, and indicates the effect of these rules on the Michigan Administrative Code (1979 ed.).

**MICHIGAN ADMINISTRATIVE CODE TABLE
(2007 RULE FILINGS)**

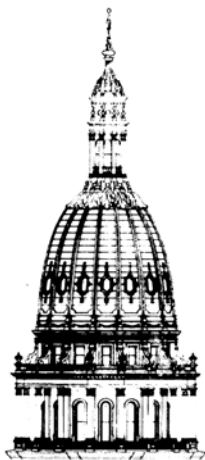
R Number	Action	2007 MR Issue	R Number	Action	2007 MR Issue	R Number	Action	2007 MR Issue
205.56	*	6	338.3123	*	4	388.5	A	6
205.72	*	6	338.3125	*	4	388.6	A	6
205.126	*	6	338.3132	*	4	388.7	A	6
205.127	*	6	338.3154	*	4	388.8	A	6
205.136	*	6	338.3161	*	4	388.9	A	6
281.421	A	3	338.3162	*	4	388.1	A	6
281.422	A	3	338.3162b	*	4	388.11	A	6
281.423	A	3	338.3162c	*	4	388.12	A	6
281.424	A	3	338.3162d	*	4	388.13	A	6
281.425	A	3	339.22203	*	2	388.14	A	6
281.426	A	3	339.22213	*	2	388.15	A	6
281.427	A	3	339.22601	*	2	388.16	A	6
281.428	A	3	339.22602	*	2	388.17	A	6
281.429	A	3	339.22603	*	2	388.18	A	6
325.2651	*	3	339.22604	*	2	400.9101	*	2
325.2652	*	3	339.22605	*	2	400.9306	*	2
325.2653	*	3	339.22606	A	2	400.9401	*	2
325.2654	*	3	339.22607	*	2	400.9501	*	2
325.2655	*	3	339.22609	*	2	400.12101	*	2
325.2656	*	3	339.22613	*	2	400.12202	*	2
325.2657	*	3	339.22615	*	2	400.12214	A	2
325.2658	*	3	339.22617	*	2	400.12310	*	2
325.60025	*	3	339.22631	*	2	400.12312	*	2
336.1660	A	2	339.22639	R	2	400.12605	*	2
336.1661	A	2	339.22641	R	2	408.43a	*	4
338.471a	*	4	339.22645	*	2	408.43i	*	4
338.472	*	4	339.22651	*	2	408.43k	*	4
338.473	*	4	339.22652	A	2	408.43m	*	4
338.473a	*	4	339.22653	R	2	408.43q	*	4
338.473d	*	4	339.22654	R	2	408.42602	*	5
338.474a	*	4	339.22655	R	2	408.42605	*	5
338.475	*	4	339.22659	*	2	408.42608	*	5
338.479a	*	4	339.22663	R	2	408.42609	*	5
338.489	*	4	339.22664	R	2	408.42616	*	5
338.3041	*	4	339.22665	*	2	408.42624	R	5
338.3043	*	4	388.1	A	6	408.42625	R	5
338.3044	*	4	388.2	A	6	408.42628	*	5
338.3102	*	4	388.3	A	6	408.42629	*	5
338.3120	*	4	388.4	A	6	408.42634	*	5

(* Amendment to Rule, A Added Rule, N New Rule, R Rescinded Rule)

2007 MR 6 – April 15, 2007

R Number	Action	2007 MR Issue	R Number	Action	2007 MR Issue	R Number	Action	2007 MR Issue
408.42636	*	5	421.1305	*	4	460.2703	A	3
408.42648	*	5	421.1307	*	4	460.2704	A	3
408.42651	*	5	421.1314	*	4	460.2705	A	3
408.42655	*	5	421.1315	*	4	460.2706	A	3
408.42801	A	5	421.1316	*	4	460.2707	A	3
408.42804	A	5	432.21305	*	5	550.111	A	4
408.42806	A	5	432.21313	*	5	550.112	A	4
408.42809	A	5	432.21316	*	5	550.301	A	4
418.56	*	4	432.21317	*	5	550.302	A	4
418.10107	*	6	432.21326	*	5	500.2201	A	4
418.10202	*	6	432.21327	*	5	500.2202	A	4
418.10401	*	6	432.21331	*	5			
418.10404	*	6	432.21332	*	5			
418.10416	*	6	432.21333	*	5			
418.10504	A	6	432.21335	*	5			
418.10505	A	6	432.21336	*	5			
418.10902	*	6	432.21406	*	5			
418.10922	*	6	432.21408	*	5			
418.101002	*	6	432.21410	*	5			
418.101002b	A	6	432.21412	*	5			
418.101004	*	6	432.21413	*	5			
418.101005	*	6	432.21416	*	5			
418.101016	*	6	432.21417	*	5			
418.101017	R	6	432.21418	*	5			
418.101018	R	6	432.21516	*	5			
418.101019	R	6	432.21520	*	5			
418.101502	R	6	432.21609	*	5			
418.101504	*	6	432.21617	*	5			
421.1101	*	4	432.21621	*	5			
421.1103	*	4	432.21622	*	5			
421.1104	*	4	432.21623	*	5			
421.1108	*	4	432.21805	*	5			
421.1109	*	4	432.21811	*	5			
421.1110	*	4	432.22004	*	5			
421.1111	*	4	432.22005	*	5			
421.1301	*	4	432.22006	*	5			
421.1301	*	4	432.22007	*	5			
421.1302	*	4	460.2701	A	3			
421.1304	*	4	460.2702	A	3			

(* Amendment to Rule, **A** Added Rule, **N** New Rule, **R** Rescinded Rule)



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